Daily Report

Latin America

FBIS-LAT-90-157
Tuesday
14 August 1990

Daily Report
Latin America

FBIS-LAT-90-157 *14 August 1990*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

CPSU Politburo Member Remarks on Relations *[Havana Radio]* 1
Four Cubans Seek Refuge in Belgian Embassy *[Madrid EFE]* 1
Iran's Deputy Foreign Minister Departs for Home *[Havana TV]* 1

Inter-Caribbean Affairs

Caricom To Introduce CET in January '91 *[CANA]* 1

Bahamas

Central Bank To Freeze Kuwaiti, Iraqi Assets *[CANA]* 2

Dominican Republic

200 People Arrested, Minor Incidents at Strike *[Santo Domingo Radio]* 3

Haiti

L'UNION Publishes State Council Communique *[10-13 Aug]* 3
PAIN Asks CEP To Suspend Electoral Calendar *[L'UNION 10-13 Aug]* 3
Political Parties State Position on Elections *[Port-au-Prince Radio]* 3
APN Strike Continues; Further Appointments Made *[Port-au-Prince Radio]* 4

Trinidad and Tobago

Government Presses Ahead With Reconstruction *[CANA]* 5
Abu Bakr To Be Charged With Treason, Murder *[CANA]* 5

CENTRAL AMERICA

Nicaragua

Chamorro To Seek Aid; Lacayo on Pichardo *[Managua Radio]* 7
Lacayo Assesses Chamorro Administration *[Managua Radio]* 7
CSFR's Havel Arrives, Relations Reviewed *[Prague CTK]* 15
Chamorro Welcomes Havel *[Managua Radio]* 15

Panama

Linares on Talks With U.S., Canal Treaties *[EL PANAMA AMERICA 13 Aug]* 16
Deputy Says 'Agreement' Exists on Assembly Post *[Panama City Radio]* 17
Arnulfista's Artola Pressures PDC on Rotation *[LA ESTRELLA DE PANAMA 11 Aug]* 17

SOUTH AMERICA

Argentina

Menem Reiterates Offer To Send Peace Force *[TELAM]* 18
Pharmaceutical Group Seeks Patent Protection *[TELAM]* 18

Brazil

Rezek Says Sending Troops to Gulf 'Improbable' *[Madrid EFE]* 18
Supply of Military Technology to Iraq Denied *[Madrid EFE]* 19
Brazilian Citizens Free To Leave Iraq, Kuwait *[Rio de Janeiro TV]* 19
Itamaraty Spokesman Comments *[Brasilia Radio]* 19
Debt Negotiator on Impact of Persian Gulf Crisis *[Brasilia Radio]* 20
IBGE Reports July's Consumer Price Index *[Brasilia Radio]* 20

Chile

Pending Policies With U.S. 'Treated Normally' *[Santiago Radio]* 20
FMLN Leader Visits, Comments on U.S. Aid *[Madrid EFE]* 20
General Pinochet Creates 7th Army Division *[Santiago Radio]* 21

Colombia

Extraditables Issue Communique on Murders, Truce *[Mexico City NOTIMEX]* 21
* ELN Strategy, Organization Outlined *[EL TIEMPO 8 Jul]* 21
* ELN's Motives for Dialogue Questioned *[EL TIEMPO 3 Jul]* 23
* Quintin Lame's Road to Peace Analyzed *[SEMANA 3 Jul]* 24

Paraguay

700 Kg of Pure Cocaine Reportedly Found *[HOY 13 Aug]* 25
New Education, Agriculture Ministers Named *[Asuncion TV]* 25

Peru

'Harsh Economic Measures' Create Instability *[Buenos Aires TELAM]* 25
Fujimori Rejects Coup Possibility *[Buenos Aires TELAM]* 26
Looting Continues; More Killed *[Lima TV]* 26
Shining Path Terrorists Murder APRA Militants *[Madrid EFE]* 26

Uruguay

Lacalle Criticizes ALADI Delay on Bush Plan *[Montevideo Radio]* 27
1990 Cost of Living Rise Totals 60.6 Percent *[Madrid EFE]* 27
FRG Donates $19 Million to Social Fund *[LA HORA POPULAR 28 Jul]* 27

Venezuela

Party Leader Denies Danger of Coup D'Etat *[Caracas TV]* 27

Suriname

Marchers Urge More Powerful Civilian Government *[Bonaire Radio]* 28
Bouterse Views Friction Between Police, Army *[Paramaribo International]* 28
14 Soldiers Killed as 'Mopping-Up' Continues *[Paramaribo International]* 28

Cuba

CPSU Politburo Member Remarks on Relations

FL1308214090 Havana Radio Rebelde Network in Spanish 1700 GMT 13 Aug 90

[Report by Victor Antilov from Moscow]

[Text] The newspaper PRAVDA, organ of the CPSU Central Committee, continues to publish interviews with new CPSU Politburo members. An interview with Gennadiy Yanayev, who used to head the Soviet labor unions, was published today. The PRAVDA correspondent asked Yanayev about our relations with Cuba.

The following is the response of Gennadiy Yanayev, member of the CPSU Politburo Central Committee: The U.S. leadership is trying to link the development of Soviet economic relations with Cuba to the exclusion of our traditional friendly relations and economic cooperation. He added: This cannot be accepted in any way. Yanayev stated that the U.S. policy with Cuba continues to be that of the times of the cold war.

He said: I am convinced that the improvement of the Soviet-U.S. relations cannot be developed at the expense of our relations with Third World countries. Regarding the Soviet-Cuban relations, Yanayev said: They are a result of many years and are developing in a steady and fruitful way. This is the response given by Gennadiy Yanayev to PRAVDA's correspondent.

Four Cubans Seek Refuge in Belgian Embassy

PA1308225390 Madrid EFE in Spanish 2221 GMT 13 Aug 90

[Text] Havana, 13 Aug (EFE)--Four Cubans sought refuge today at the residence of the Belgian ambassador in Havana, Louis Cornet Delzius, sources from the diplomatic mission have told EFE.

The total number of Cuban refugees in foreign embassies now stands at 22. Eighteen others are still at the Spanish Embassy.

Iran's Deputy Foreign Minister Departs for Home

FL1308191590 Havana Tele Rebelde Network in Spanish 1700 GMT 13 Aug 90

[Excerpt] Mahmud Va'ezi, deputy foreign minister of the Islamic Republic of Iran, returned to his country last night. Va'ezi visited Cuba after attending Colombia's presidential inauguration.[passage omitted]

Inter-Caribbean Affairs

Caricom To Introduce CET in January '91

FL1308185990 Bridgetown CANA in English 1511 GMT 13 Aug 90

[Report by Peter Richards]

[Text] Bridgetown, Barbados, Aug 13, CANA—Seventeen years after the establishment of their Caribbean Common Market and Community (Caricom), regional leaders have agreed to the phased introduction of a Common External Tariff (CET) on extra-regional goods starting next Janaury. Caricom governments have been hailing the move as a positive step aimed at alleviating unemployment, protecting regional agriculture, and developing the various industries of the 12-member common market.

Antigua and Barbuda's Deputy Prime Minister Lester Bird said the decision to implement the CET—to be charged on goods imported from third countries and which have Caricom-made equivalents—represented a watershed.

"The whole of it may not be completed by January 1, 1991, but at least the decision to move forward in a clear and definitive manner has been made," he added.

The region, which is committed to economic integration, has operated under a four-pronged tariff structure. Barbados, Jamaica, Trinidad and Tobago, and Guyana, the so-called More Developed Countries (MDC's) apply their own set of duties, while the Organisation of Eastern Caribbean States (OECS) with the exception of Montserrat operates on lower level of tariffs. Belize and Montserrat have separate tariff systems.

"The exercise we have been involved in over the last couple of years was one of revising the tariffs for the four more developed countries to see whether after all those years, the rates which were established for various projects were still appropriate," explained Byron Blake, head of the economics and industry division of the Caricom secretariat.

"We found that in a number of cases, those rates were no longer appropriate....," he added.

At their 1990 summit in Jamaica (July/August), the Caribbean leaders said that the CET represented a commitment towards the establishment of a single market and economy within the grouping by 1993. The decision to establish a CET has its background in the Treaty of Chaguaramas of 1973, establishing Caricom. In it the countries expressed their commitment to the implementation of a common protective policy "which would serve to further integrate the economies of Caricom member states by creating an enlarged and more assured market...."

Article 31 of the annex to the treaty expressly addresses the establishment of the CET while Article 32 and 33 provide for the operation of the CET and other treatment of imports from Third Countries.

According to Article 34 of the treaty "an integral part of the common protective policy is also the commitment of member states to seek a progressive co-ordination of their trade relations with Third Countries or groups of Third Countries." In 1984, the leaders, meeting in the Bahamas, agreed on the policies and actions necessary to

promote structural adjustment and accelerated development of Caribbean economies and to deepen the regional integration effort. In the Nassau Understanding, an official Caricom document expressing these policies and actions, the heads of government agreed that the tariff should be "the principal instrument of protection in the common market, replacing the use of quantitative restrictions." At the same time, the Common Market Council (the second highest decision making body within Caricom) was mandated to accelerate its work on the establishment of a single CET.

In 1986, a group comprising public and private sector officials drew up a set of policy guidelines to ensure a coordinated and coherent approach to the evolution of the tariff. The guidelines were reviewed by the Caricom council of ministers, which later agreed that the primary objective of the CET should be protection for regional agricultural and industrial production of finished goods, raw and intermediate materials, and capital goods.

The council agreed that the external tariff should be structured in a manner that supports the development of internationally competitive production in the common market. It pointed out however that the tariff should not unduly increase the cost of certain socio-economic activities and conditions, such as training and the provision of basic services.

In specific cases where regional production requires a high level of effective production, Caricom agreed that the Common External Tariff needs to be supplemented by quantitative restrictions imposed by all member states or by individual member states as might be required. To implement the CET, some countries, essentially the lesser developed states, will have to increase their rates of duty, while others, mostly the MDC's will cut theirs.

Bird, whose country is a member of the seven-state OECS, said that in the sub-grouping implementation of the CET, which effectively raises the retail prices of certain non-Caricom imports, will have a "negative effect on their cost of living." The OECS countries will implement an across the board tariff increase of eight to 12 percent.

"...This is something that will seem to be tolerable and which we can deal with, while at the same time we are ensuring that we are committed to the integration movement by not holding out...." Bird said.

While the key goal of the tariffs will be to provide revenue for the governments, "it has another purpose, which is to provide an advantage to the producers of the like product within the common market," Blake said.

"The reason for that advantage is that we know that our companies.... are really not on all fours with some of the larger (foreign) companies which tend to sell us products and so we are trying to give them an advantage," he added. But Caricom officials said that in some instances, regardless of the tariff advantage, "the larger companies from outside can in fact as a strategy, put its product on the market for a period at a lower price.... and bear the cost of the tariff, so as to put a local producer at a disadvantage."

While not all the member states of Caricom have agreed to implement the CET from January 1, 1991, Caricom officials say there is the "over-riding agreement that by the time the single market is established by the end of 1993, all the reservations will be at an end."

The council has agreed that on a number of items identified by the OECS member states, the rates in the OECS tariff would be maintained until January 1, 1994, "or until the introduction of the community-based tariff, work on which is to commence shortly."

Regarding Belize, which for a number of reasons, including the insufficiency of opportunity for transport, gets most of its supplies from extra-regional sources, the council said that "the suspension of the tariff granted.... is addressed in the context of the current level of intra-Caricom trade involving Belize."

Caricom officials say efforts are already in train to increase the current level of contribution of Belize to intra-Caricom trade (from the current level of seven percent of its total trade) "by way of the mounting of both selling missions to Belize by other producers in the region, and selling missions by entrepreneurs in Belize to the other member states."

At present Montserrat applies a schedule of rates which differs from the current CET and also from the East Caribbean Common Market (ECCM). The council expects that at its next meeting in October, Montserrat will advise of the items which it will apply the agreed CET rates and those items on which suspension of the CET is required and for how long.

Bahamas

Central Bank To Freeze Kuwaiti, Iraqi Assets

FL1308164590 Bridgetown CANA in English 1537 GMT 13 Aug 90

[Text] Nassau, Bahamas, Aug 13, CANA—The Bahamas Central Bank has ordered banks operating here to freeze all assets belonging to Kuwait and Iraq following Iraq's invasion and annexation of Kuwait. In a letter dated August 10, Governor James Smith said the measure was necessary to ensure that assets held by nationals, companies, corporations, and authorities of both countries are kept out of the reach of the Iraqi regime.

"The central bank, therefore, calls upon all the licensed banks and trust companies in this juridiction to place an embargo on the withdrawal or transfer of the above mentioned assets with immediate effect," the letter said.

Dominican Republic

200 People Arrested, Minor Incidents at Strike

FL1308185090 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 13 Aug 90

[Text] The general strike ordered by various union federations and popular organizations is being carried out without problems. Mayor General Jose Ramon Mota Paulino, chief of the National Police, today said that the situation is calm in the capital as well as in the interior of the country.

The National Police chief said through his spokesman Colonel Juan Ramon de la Cruz Martinez that all necessary measures have been taken to prevent any attempt to disturb the peace. De la Cruz Martinez said that some 200 people were arrested yesterday to prevent disturbances during the strike that began at 0600 today.

De la Cruz also said that minor incidents were reported in Tenagua, Sanchez, Samana, and Cambita in San Cristobal. Gen. Mota Paulito said that the police have increased their patrols of the capital and the interior of the country to prevent anyone from disturbing the peace.

Haiti

L'UNION Publishes State Council Communique

FL1308164690 Port-au-Prince L'UNION in French No 394, 10-13 Aug 90 pp 1,12

[Text] In answer to questions by certain grass-roots groups regarding the State Council's position in connection with the visits of the president of Venezuela and the vice president of the United States, the State Council informs everyone that:

1) The State Council was never contacted by the Venezuelan Embassy in connection with the arrival in Haiti of President Carlos Andres Perez.

2) No meeting between Mr. Perez and the State Council was scheduled during the Venezuelan president's visit to Haiti. Only a welcome reception was scheduled, by Haitian protocol.

3) The state of the talks between the executive and the State Council justifies the latter's attitude concerning all purely social events.

4. The U.S. Embassy, for its part, advised the State Council, beforehand, that Vice President Dan Quayle would be arriving, and organized a formal meeting between Mr. Quayle and the Council.

In the realm of foreign relations, as in its relations with the other government institutions and with political parties, the State Council, while remaining faithful to its principles, continues to advocate the rule of open dialogue and mutual respect.

9 August 1990

Press Office of the State Council

PAIN Asks CEP To Suspend Electoral Calendar

FL1308164790 Port-au-Prince L'UNION in French No 39, 10-13 Aug 90 pp 1, 12

[Text] A few weeks ago, the Provisional Electoral Council [CEP] issued a cry of alarm and asked the Haitian people to mobilize against the presence in Haiti of former General Regala. A few days later, the arrival of Roger Lafontant in Haiti drove all sectors of the population to, through a general strike, demand that the provisional government take resolute action against the presence of these two former defense ministers on the eve of the beginning of the electoral process. To this day, there have been no results.

Meanwhile, the State Council, despite its good faith and willingness to reestablish the conditions favorable to the functioning of the government, has found itself obliged to admit to the nation in its latest communique that its efforts have been in vain. The CEP, for its part, despite its good faith and willingness to continue its work, after its call to a mobilization against the presence of former General Regala, is now having to yield to the facts and admit that Mrs. Trouillot's provisional government is incapable of taking action to reestablish the population's confidence.

In view of the almost total rupture of relations between the executive and the State council; in view of the CEP's repeated warnings and its profound concern over the possibilities of holding these elections at this time, an attitude reflected by the entire electorate; in view of the continuing rash of insecurity and assassinations; and in view of the stand taken by a majority of the political sector, which feels elections are not possible in a situation where the Haitian Government itself appears to be inexistent, the National Agricultural and Industrial Party [PAIN] asks the CEP to hold off on beginning to apply the electoral calendar as announced, until the government crisis has been entirely resolved.

Furthermore, in view of the number of critiques [critiques] and suggestions addressed to the CEP concerning the electoral law, the PAIN asks the CEP to set in place a mechanism for consultations with the political parties to review and amend certain articles of the electoral law that complicate and handicap enormously the participation of all the components of the democratic sector in an electoral process that claims to be inspired by democracy.

Louis Dejoie II, President [of the PAIN]

Political Parties State Position on Elections

FL1308170490 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 10 Aug 90

[Excerpts] We have the positions of certain political parties on elections. The Union of Democratic Patriots

[UPD] says there are today more unemployed out in the streets, more people being killed by zenglendos, and more zenglendos who have returned to Haiti. [passage omitted]

In view of all these woes preying on Haiti, UPD asks all patriots to quickly remobilize to find a solution that can unblock the country. That is why it is asking all Haitians in the four corners of Haiti to decry everyone who is asking for elections without security.

In order to arrive at elections, we must have a serious government capable of providing security, so that people will not go out and get killed like on 29 November.

That is the position of Rockefeller Guerre of the UPD. [passage omitted]

The Haitian Christian Democratic Party [PDCH] secretary, Menard Charles Roberts, says there are three kinds of people in the society, as regards elections: those in favor of elections and who are working so they can be held; those who declare they are in favor of elections but are working against them; and those who oppose elections in both word and deed. Roberts feels neither the electoral council nor the press are sufficiently mobilized for elections Nor is his own party. It is the PDCH members from the provinces who are calling to find out what is going on, when the congress is to be, etc.

The PDCH does not feel there is, today, a serious security problem, like there was in 1987. The authorities today are showing a greater willingness to put some order into the disorder. [passage omitted]

We also questioned Nationalistic and Progressive Revolutionary Party of Haiti [Panpra] official Arnold Antonin on the relations between the PDCH and the National Alliance for Democracy and Progress [ANDP]. Is the PDCH a member of the alliance, as rumors circulating for the past few days in Haiti would have it?

[Begin Antonin recording] The alliance is open to all other political parties that agree with the ANDP's 10 points and who agree that we should defend the coming elections so we can have a freely and democratically elected government in Haiti. As for the PDCH, I need not tell you how pleased I would be if the PDCH would join the alliance, for we know what a good combatant Sylvio Claude is, and how popular he is. [passage omitted] [end recording]

Regarding the statement made by Venezuelan President Carlos Andres Perez the day before yesterday in Port-au-Prince, who said that as a democrat, he thought the best thing for Haiti would be to not shunt aside any group of citizens from the electoral process, we asked Mr. Antonin what his party's position on this statement was.

[Begin Antonin recording] I do not know what Carlos Andres was referring to in that statement. We, however, are in favor of everyone participating in the elections within the framework of respect for the Constitution. I do not think Carlos Andres could possibly be thinking that we should accept everyone's participation in the elections outside the framework of the Constitution. I absolutely do not think that was what he meant. [passage omitted]

Article 291 does not exclude the Duvalierists from the elections. It excludes the notorious murderers and the thieves who have put this country into [words indistinct] for all this time and who have reduced it to its current state. [passage omitted] [end recording]

APN Strike Continues; Further Appointments Made

FL1308181790 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 13 Aug 90

[Excerpts] New appointments at the National Port Authority [APN] have not solved the employees' problem. The employees began protesting again upon learning that Marineau Etienne, APN director of security, had been transferred to the general hospital, to be head of security there. The return of Fritz Joseph as APN general director and the promise of a wage increase that the government's representatives made the APN employees did not prevent them from continuing to protest the transfer of Marineau Etienne, who is himself against his transfer. [passage omitted]

There are other places where appointments have been made, such as Ciment d'Haiti [Cement Company of Haiti], where (Henock) Louis has been appointed financial director and Jean (Donnar) Andre, assistant financial director.

And, as we said, Marineau Etienne has been appointed head of the security service at the National University Hospital of Haiti, by presidential commission dated 10 August 1990. This is the appointment the APN employees are protesting. And they say that the strike is going to continue if Marineau Etienne is not returned to his old position.

Jean-Pierre Moise Pierre-Louis, who has now been appointed chairman of the board of directors of APN, is the minister of public works, transportation, and communications, as well as interim finance minister and a member of Teleco's [Telecommunications d'Haiti, the national telephone company] board of directors. This double minister, chairman of the board of APN, and member of Teleco's board of directors thus has at least four jobs in Mrs. Trouillot's government, and reminds one of the role Frantz Merceron [former finance minister] used to play in the government of Jean-Claude Duvalier. Merceron used to get salaries all over the place. As a member of boards of directors, Pierre-Louis is in diverse administrations and ministries. In any case, according to the Constitution, a person should have only one government job.

Trinidad and Tobago

Government Presses Ahead With Reconstruction

FL1308131290 Bridgetown CANA in English 2242 GMT 12 Aug 90

[Text] Port of Spain, Trinidad, Aug 12, CANA—The Trinidad and Tobago Government has extended a state of emergency for three months, amid continuing fears that a sizeable section of the group which staged an unsuccessful coup attempt on July 27 is still at large. Despite these security concerns, the government is pressing ahead with its reconstruction effort, aimed at helping the twin-island Republic recover quickly from an estimated one billion dollars (one TT dollar = 23.5 U.S. cents) in damage resulting from the crisis.

The government's priorities in the rebuilding exercise place particular emphasis on restoring jobs lost as a result of the looting and destruction of several business places. Special attention is being paid to low income workers.

Acting Prime Minister Winston Dookeran said comprehensive proposals had been developed for new financial mechanisms for the small business sector. He also announced an emergency reconstruction programme for the capital city, and plans for the mobilisation of the financial sector in all phases of the programme.

"Early action will be taken to restore or replace those public administration buildings which have been damaged or destroyed during the crisis," Dookeran said.

Work, for example, has started on a new police headquaters to replace the one destroyed in a car bomb blast when the members of the Jamaat al Muslimeen launched their failed coup. A special task force comprising architects, engineers, city planners, and other specialists has also started work on rebuilding the virtually destroyed lower section of the city into a modern well planned urban centre.

An appeal from the Trinidadian authorities for Caribbean governments and other friendly nations to assist by providing food and medicine, has had good response, officials said. But the London-based West India Committee, which has mounted several trade missions to the region, said that in addition to food and medicine, Trinidad and Tobago desperately needed financial assistance. The committee said it hoped western nations could provide such assistance in the same manner they responded to "Turkey and Indonesia in their hours of need."

"Trinidad and Tobago now faces a dramatic period out of which all its genuine friends know it will emerge with resilience," the committee's Vice President David Suratgar said.

Analysts said the government must move quickly to heal economic and social wounds and restore the confidence of foreign investors. But as Parliament met on Friday to debate an extension of the state of emergency, public servants had to be sent home early, and businesses closed as a result of anomymous phone calls warning that explosive devices were being set in various places around the city. Adding to the chaos were police reports that Jamaat members had opened fire on a police station the previous night. One member was arrested following the shootout. Three others escaped.

The deputy political leader of the ruling National Alliance for Reconstruction (NAR), Karl Hudson-Phillips, said despite the loss of life in the failed coup attempt, Trinidad and Tobago "must not seek vengeance, and must remain committed to fundamental rights." But the former attorney-general said justice must be swift for the culprits.

Charges of treason and murder will be laid against some of the 114 members of the jamaat involved in the unsuccessful coup. Additional charges include kidnapping, possession of firearms and ammunition to endanger life, and illegal possession of firearms and ammunition.

Abu Bakr To Be Charged With Treason, Murder

FL1308123190 Bridgetown CANA in English 1824 GMT 12 Aug 90

[Text] Port of Spain, Trinidad, Aug 12, CANA—Yasin Abu Bakr, leader of the Black Muslim group which staged the recent failed coup attempt here, will be charged this week with 15 offences, the SUNDAY GUARDIAN reported. The Imam will be charged with treason and nine counts of murder, crimes which carry a mandatory death sentence on conviction. In addition, he will be charged with imprisoning a television newscaster, possession of a firearm and ammunition, and possession of firearm and ammunition to endanger lives.

Abu Bakr, leader of the Jamaat al Muslimeen, and 113 followers have been under Army detention since their unconditional surrender on August 1. After the charges are laid, prison authorities will assume responsibility for detaining the rebels, officials said. The GUARDIAN said treason charges would be laid against all the rebels.

The murder charges to be laid against Abu Bakr are related to the deaths of junior minister Leo des Vignes, assistant police superintendent Roger George, estate constable Malcolm Rasanta, parliamentary clerk Lorraine Caballero, reserve policeman Solomon McLeod, chauffeur George Francis, former policeman Arthur Guisseppi, government broadcasting unit worker Mervyn Teague, and one other person whose body has not been identified.

Acting National Security Minister Herbert Atwell told reporters over the weekend that consideration was being given to using the Government Convention Centre at Chaguaramas as a courthouse for the trial of the insurgents. The convention centre is close to an abandoned fisheries warehouse where the rebels are being held.

Meanwhile, police have charged Aneisa Abu Bakr, the Imam's first wife, with shooting with intent and possession of firearms and ammunition to endanger life. The charges stem from a shoot-out with the police at a Champ Fleurs House on August 1 in which the 21 year old son of Mrs. Abu Bakr was killed. A high court heard an application for Mrs. Abu Bakr's release from detention on Friday but the matter was adjourned until next Friday. The Imam has three wives.

Nicaragua

Chamorro To Seek Aid; Lacayo on Pichardo

PA1408000890 Managua Radio Sandino in Spanish 1933 GMT 13 Aug 90

[Text] It has been reported that President Violeta Barrios de Chamorro has announced that she will travel to the United States, Mexico, and Venezuela in an effort to obtain economic assistance for her development programs.

Also, Minister of the Presidency Antonio Lacayo confirmed in a news conference today that Air Force Chief Colonel Javier Pichardo was removed because of his lack of discipline. Lacayo said that some officers disagree with the new role of the Armed Forces, recalling the case of Colonel Antenor Rosales who, unlike Pichardo, accepted the changes in the institution.

Minister Lacayo also reported that the government will seek an extrajudicial solution in its litigation with the United States at the International Court of Justice at the Hague. He asserted, however, that Nicaragua will not withdraw the suit, as the United States has demanded.

Lacayo Assesses Chamorro Administration

PA1208151890 Managua Radio Catolica in Spanish 1800 GMT 8 Aug 90

[Special "roundtable" that preempts scheduled daily newscast with special guest Presidency Minister Antonio Lacayo; Osvaldo Bonilla, UPI/VOA correspondent; Freddy Rostran, Radio Catolica news director; Alberto Carballo and Msgr. Bismarck Carballo, Radio Catolica codirectors; and Fernando Centeno, director of the Radio Catolica newscast "21 Hours," and featuring listener call-ins; from Radio Catolica studios in Managua—live]

[Excerpts] [Msgr. Carballo] Friends of Radio Catolica, I am especially pleased to have Presidency Minister Antonio Lacayo with us today at this roundtable. We invited him to assess the first 100 days of President Violeta Chamorro's government.

As you know, Radio Catolica has dedicated this "Church" newscast for several months now—before [corrects himself] during and after the political campaign and after Mrs. Chamorro's inauguration—to address certain topics of national interest.

We believe that Minister Antonio Lacayo's presence at Radio Catolica creates interest because of his great responsibility in the government. We will have the opportunity to listen to his opinions as he answers questions. We hope that this roundtable will enlighten many Nicaraguans and in turn help Nicaragua move forward in this democratic process. Radio Catolica wishes to be the mouthpiece of those who cannot speak out and support this democratic process which all Nicaraguans are happy began this year. Welcome Mr. Antonio Lacayo. We hope that you will answer the questions based on your responsibility in the government.

[Lacayo] Thank you very much, Monsignor. Thank you to all the Radio Catolica reporters who are here. I would like to thank all of you, especially Radio Catolica and the "Church" newscast, for this opportunity to spend time with you and all your listeners throughout national territory who we know listen to this program with great attention because of the prestige that Radio Catolica, and especially the "Church" newscast, has been winning throughout the years and the role that it has played in attaining democracy in Nicaragua.

We know that Radio Catolica this year marked 25 years of struggling to attain this objective. They have been 25 long years. A 25-year struggle would be recognized as meritorious anywhere in the world. The "Church" newscast has also participated in this struggle to build the country—as Pedro Joaquin Chamorro called it, the Republic—for the past three or four years. In other words, the struggle to make Nicaragua a republic again; that is, that it be the country of all, because the roots of this word mean something that belongs to all. The Republic must be of all and Nicaragua must be of all.

This democratic process—which the monsignor said began this year—really did not begin this year; it is the accumulation of many years of struggle by many Nicaraguans. It was crystallized this year in the form of an elected government, which had power transferred to it from the previous government without challenge. This was a unique development in our history this century.

And so I would like to thank you and share my assessment of the government over the past 100 days. We would also like to say that we are open to comments, criticisms, and questions, from either reporters or the listeners. We believe that criticism, chiefly when it is constructive, constitutes a fundamental element of democracy. Democracy is a process wherein everybody must participate, and many people who are not in the government participate by voicing their opinions, criticisms, and by commenting. Sometimes they do so because of a constructive spirit, hoping things will improve, pointing out government areas that are not working well or need improving.

As I said, these things are fundamental to democracy. Otherwise, how would the government know what is not going well? How would the government know what it is not doing right? The only way the government can hear criticism is through comments or from the media or from people who participate in programs like this one, with their calls and enthusiasm. Far from dismissing them, the government, and I certainly do, takes this criticism into consideration because it concerns areas that must be corrected if we want Nicaraguans to regard this government as theirs.

After that brief introduction to express my gratitude and admiration for the work that you perform every day, I

will analyze the past 100 days. Perhaps I should begin by saying that as these 100 days end, the government's primary achievement is that it is here. I said on television last week that this is an achievement because just a few months ago many people in Nicaragua lacked faith. We must be honest about this. The people here did not believe we could have an honest electoral process or, at least, a process sufficiently honest enough to be accepted abroad as credible. The people did not believe that.

Enthusiasm grew slowly, and by December and January the people had become more involved. They began to believe victory was possible, but harbored serious doubts as to whether the Sandinists would hand over power. The rumor was that if the UNO [National Opposition Union] won on 25 February, the Sandinists were going to burn all the ballots and ballot boxes and turn off the lights at the vote-counting centers so that the results could not be determined. The people also said that all sorts of terrible things were going to happen so that the day after the elections the Army would step in to restore order.

Rumors of those scenarios circulated and people believed the Sandinist government would not recognize the new government. When that happened many people were wondering if the new government would indeed take office on 25 April or if this was a plan was to share the government. People had their doubts. When Mrs. Chamorro took office in 25 April, the question was: Let us see how long this government lasts. Let us see how many weeks it lasts. Now, the government has passed its first 100 days, and it is still here and on very solid ground. Why? Because we have made fundamental achievements, which the world has recognized, in these first 100 days. For example, we succeeded in consolidating peace, which on 25 April, was on very shaky ground. We had over 15,000 Nicaraguan Resistance [RN] fighters stationed in enclaves. They had doubts about surrendering their weapons because they also believed that a new democratic government was not feasible. They continued to harbor very serious doubts. However, on 29 June, barely two months after the new government had assumed power, the United Nations and the OAS certified that over 19,000 fighters had surrendered their weapons, and that these weapons were destroy[illegible]

The contra demobilization is a major achievement of this government. I am sure the RN would not have demobilized if another government had won the elections. They have said this quite openly. The fact that those Nicaraguans trusted Mrs. Chamorro enough to surrender their weapons constitutes a major achievement of this government. I think that initiating a reduction in the military apparatus of this country constitutes another achievement.

When President Chamorro was sworn in, the Sandinist People's Army [EPS] had approximately 80,000 members, including permanent soldiers, self-defense militias, and youths in the Patriotic Military Service [SMP]. This figure has been cut to less than half. Soon there will be no more than 1,200 youths in the SMP. As President Chamorro said, by 7 December all youths in the SMP should have returned to their homes. This is a gradual process, and the number of conscripts is being reduced every month. A large number of the self-defense militias, of which there were many, have been disarmed and separated from the Army. Moreover, the process to reduce the number of officers in the EPS has already begun. Therefore, in 100 days, this country, under the direction of President Violeta de Chamorro, has been able to significantly reduce the military apparatus, allowing all the people to engage in productive tasks and help in the country's development.

I believe that another significant accomplishment of the past 100 days is the establishment of foundations that will allow the economy to progress. I am saying that, at the very least, we have the foundations because this is like building a house. The first thing you realize is that you have to dig a hole. One wonders: Where is the building? What has been done? Because by looking at it, you see nothing but a hole. This is because the foundations are underground. As the Bible says, a strong foundation is necessary so that the house will not collapse because of strong winds.

When dealing with economic matters we have had to thoroughly analyze the country's economics problem and the actions taken between 25 February and 25 April in order to begin corrective measures. However, having a single exchange rate is fundamental. At this time, there is no official, parallel, or black market exchange rate. In other words, the official rate and the parallel rate are the same. Foreign exchange currency at the black market is about 10 percent above the official rate, which is virtually nothing. What does this mean? It means that all Nicaraguans have to pay the same price for the dollar. There are no more privileged people now—that is over. A man who favors the government can no longer come here and buy foreign exchange at lower prices than a man who does not. No one can try to demand subsidized foreign exchange because he is a government official, privileged, or a cooperative member, that has also ended. Everyone will pay the same price for the dollar here. That is one of the accomplishments of this government.

The challenge now is to fight inflation. Prospects for August look very promising, better than they did in July. We also expect to reduce inflation in September. We are making a serious effort because we believe that we have laid the foundations so that by December we have devaluations of less than 10 percent per month.

This means that these devaluations, which have been occurring twice a week and upsetting us all, might be reduced to once every two weeks. It has been said that this is an achievement of the government in its first 100 days. The government, however, has received great support in other areas, such as in world affairs. Although this will take several months to fully develop, there is a willingness in the world, Europe, the United States, Japan, the Soviet Union, Mexico, and Venezuela to

cooperate with the Nicaraguan people in this new stage of their lives. This is also an achievement of the government because these friendly governments have said that what is being done in Nicaragua, the reconciliation policy, is positive. This is the path that the country must follow. This is why they are willing to assist us.

If the government here did not believe in reconciliation and, instead, believed that the heads of all the enemies and those who do not think along specific lines should be cut off, I am sure many of these countries would not be willing to help Nicaragua. Consequently, these countries' willingness to assist Nicaragua in restructuring its debt, as Venezuela helped so generously and we mentioned this in Mexico, is due to this government's national reconciliation policy of establishing a steady democratic regime come hell or high water. This is an achievement of this government.

To avoid a lengthy discussion, we would also like to mention the manner in which strikes were settled. A big strike took place less than one month into the government's term. This strike was political. A second strike was declared less than three months after the government was sworn in. This second stoppage ended in what was described as a riot. More barricades were erected here in July than in 1979. Anyone in the streets of Managua could have attested to this. However, the government solved this problem with the tools that a democratic government would have used, like dialogue, persuasion, and patience.

It is very tempting to want to solve this problem by using force. However, this government will not take that path. Obviously there are some people who have gone far beyond the law, and there is no alternative but to apply the full weight of the law to them.

Basically, the democratic process will be progress through persuasion, dialogue, and reasoning, because those are the weapons a democratic government has. A democratic government based on military force is something else.

To finish, I believe it is important to also point out Mrs. Chamorro's achievements in areas outside the executive branch—for instance, the restructuring of the supreme court of justice, which has gone unnoticed by the media.

I believe we now have, and this was before the 100 days, a supreme court of justice with great possibilities of really being independent. Because the balance between the people appointed by the previous government and those appointed by the new government is precarious, in the sense that the balance is delicate, I believe that the magistrates, given that one cannot impose his ideas on the other, will have no alternative but to make judgments based on the law. This is the function of a supreme court—to make judgments based on the law.

There were some people who wanted a complacent supreme court for the UNO. But that is the same thing another government had—an obliging supreme court that favored the government and not the interests of the country. Here, there must be a court that will analyze whether the government's actions are right or wrong, based on the law and the Constitution. At present we have a supreme court of justice with nine members, five of whom have several years remaining, given their recent appointments. The other four peple were designated by the legislative assembly using lists submitted by Mrs. Chamorro. This ensures the independence of the executive, the parties, and political forces not related to the court.

Finally, I think it is worth noting that before the 100 days had passed, Mrs. Chamorro had formed a commission to examine the claims of the Nicaraguans who had unfairly lost their property. This is a very delicate situation. There are many Nicaraguans with claims. The commission has already been designated and has begun examining the large number of claims so that justice can be administered. All of this was done in 100 days. All of this was done in the midst of the enormous difficulties that the government encountered upon assuming office. The country suffered the consequences of a war that lasted for years. The country lives in tension because the people are easily polarized and become desperate over the political and economic situation. Our country is in a difficult situation, but fortunately the problems have gradually been worked out. The future looks much brighter than the past. This is attested to by the number of Nicaraguans who want to return to the country and open a business, who are looking for opportunities and confirm that they can now live in absolute freedom. These people are willing to return to the country under Nicaragua's present conditions. I think this is healthy. At the same time, we see a large number of foreigners looking for investment opportunities in Nicaragua because they know the government will not strip anyone of his possessions for political reasons. The government will not start a war for political reasons, violate freedom of expression, or censure the media.

I think that in 100 days the people have clearly recognized the characteristics of this government. The people like what they see. Nevertheless, we are in the midst of an economic crisis and barely beginning to walk the path of democracy. This path is difficult and hard, full of thorns and unpleasant surprises. The economic crisis has us all bewildered. Basically, however, the people know where this government is headed and support it. I think this is a great achievement of Chamorro and the members of her cabinet because what counts is the people's opinion and the fact that the people make constructive criticism. The people criticize to correct what should be corrected, not to destroy. This is my assessment of these 100 days. I am sure there are people who have questions. I am open to all of these questions and willing to answer. Thanks to all.

[Carballo] We will now listen to questions by Radio Catolica reporters. We have here Osvaldo Bonilla Henriquez, Alberto Carballo, and Fernando Centeno. We

will also listen to questions and remarks by listeners, many of whom have been calling since early in the morning.

[Rostran] Undoubtedly one of the main concerns of the people, and one that is presented frequently to Radio Catolica reporters, is the economic crisis. The new government has an economic working plan that has been recognized as good both locally and abroad. The government's economic team has highly qualified human resources. The people realize that the economic crisis is exacerbated, particularly for workers who see their purchasing ability reduced about eight times a month because their salaries are not raised accordingly. The economic crisis is also indicated by the low acreage tilled this year and in low local and foreign investment. It has been reported that there is much mistrust and no adequate climate for investment. Many observers and business and political leaders do not hesitate to point out that the cause of this situation is a political one; that is, the overwhelming presence of Sandinists in the state structures, particularly the Army and the police, which makes many people think there have been virtually no changes in these areas. The FSLN [Sandinist National Liberation Front] is also very much present in state-run enterprises. Because you are minister of the Presidency and head of the economic team and also the official in charge of all of the state enterprises, we think you will have important words to tell the listeners.

[Lacayo] Well, Freddy, the economic problem is one thing and the political problem is quite another. It will be difficult to study the economic problem if we mix political topics, such as the presence of Sandinists in the Army, police corps, state firms, and many government institutions, in our analysis. I really do not believe the root of our economic problems lies in these matters. The economy obviously has a life of its own. We must recall that this country has been subjected to hyperinflation for several years, a very strong inflation for several years, and also long periods of horrible hyperinflation. I believe we have broken world records in this respect.

The situation was basically under control in December. At the end of January, however, the previous government stopped devaluating currency because it wanted to gain more friends before elections. This is normal and is done all over the world. Governments that want to be reelected play with the economy a bit to benefit themselves. The government's action caused devaluation to diminish and almost disappear in February. After that, and for other reasons, the previous government, the Central Bank, did not continue its economic policy as it should have. It is true that some devaluations were implemented, but they were not sufficiently strong. The new government thus found a very dramatic and serious economic situation. It has corrected these problems during the past three months, at least partially. In truth, the basis for the continuous currency devaluations is an economic one.

You mention matters of a political nature, such as the presence of Sandinists in the Army, police corps, state firms, and in some institutions. To study this topic, I believe we should—although it will bother many people—separate it into two totally different aspects. The first situation is one in which changes have not taken place because some government officials are slow in taking action; because we want to choose the best person to substitute the present employee; because city officials do not agree on who is the best person to head a particular institution; because there are different opinion groups; because changes simply cannot be implemented from one day to the other; or because we do not have enough people prepared to take on tasks immediately.

I myself have found many people who want to work in the government, but, for example, the government cannot pay their salaries. They want the government to solve their housing problems if they must work in another part of the country—and we all know that the housing problem is serious in this country. There are persons who are willing to work for the government if the government meets their requirements. Sometimes it can, and sometimes it cannot. However, it is obvious that the government will continue to advance in this field. Some people will be changed for others who are better suited. It is not a matter of change just for the sake of change. It is not a matter of making changes only for political reasons either. It is a matter of making changes to achieve real efficiency and improve our work capacity.

In that sense we must be clear, because the other aspect that must be taken into account is the constitutional aspect. This is not a government that won through a revolution or through weapons. This is not a government that won in a way that is normal in our country's history, but one that won through a popular vote.

Then we find institutions here that are the institutions of the country, such as the Army and the police. It is not a matter of suddenly—as happened in 1979—taking the Army out and creating another one. That has never been in the UNO's plans. I would like to know which paragraph of the UNO's government plan mentions anything like that. It is not even practical, because it might immediately spark a situation of much stronger tension than the one currently felt. Changing the Army for another or the police for another is not even in the UNO's government plan.

However, there have been changes in state enterprises, and there will continue to be changes, but they will not be for political reasons. The people should understand this once and for all. There will be changes for reasons of efficiency and for loyalty to the government program. If it is believed that a person is a Sandinist and his loyalty is to the party, and he is in contradiction at this time with Chamorro's government plan, then he cannot work in a corporation because his loyalty is not to the new government plan but to another. Those persons must be

changed, not in and of themselves, but because they do not share the same purpose.

But it is a slow process and normally the people only look at the changes that are not taking place, not at the ones that have taken place. In that sense, I invite the people to be reasonable and see that there have been changes. While there are some other places where there have not been changes, it is a process that will continue to advance. Let us remember it is only 100 days.

I am sure that such a presence bothers many people while it calms others. Many people are requesting that we reach an agreement between Nicaraguans. If we are going to be changing everything every so many years, who can assure me that in 1996 there will not be a government that will change everything again? So why should I invest now if everything will change again in 1996? In 1996 any party could win the elections. Maybe the economic crisis will be extended, this government will lose popularity, there will be another alternative, and the people will vote for that other alternative. Maybe it will turn out that they will also change everything back to where it was.

What we need for a real climate of investment here is to reach an understanding among Nicaraguans. About what? About the country's legal framework. If we achieve that, this country will attain a stability in which not only Nicaraguans but also foreigners will want to invest. If we do not reach that understanding, it will be difficult, because every time the clock's pendulum swings to one side or the other, the government in office will want to destroy what the previous one did, and that way no one invests. [passage omitted]

[Caller] Good afternoon, Mr. Antonio Lacayo. My name is Marta Garcia. I want to ask you two questions. Since you are leading the country and have Violeta Chamorro as a puppet, the people are saying they voted for the Violeta-Virgilio ticket and not for the Violeta-Antonio Lacayo ticket. The question is: Why do you decide everything?

The second question the people ask themselves is: If you are getting along well with the Sandinists, since you have kept General Humberto Ortega in office, why have you not been able to get along with the vice president of the Republic, Virgilio Godoy, who was elected by the people? Could it be that Godoy would have already put the Sandinists in their place or that he would not make pacts as you have, even though you were not elected by the people? Thank you.

[Lacayo] I appreciate the call, Martita, and I believe that it is a topic we must discuss. I am sure that all Nicaraguans agree with you. As you said, the presidential ticket was Violeta-Virgilio. I never appeared on that ticket, nor do I have any intentions of appearing on it because I am not a politician. As I said, I am here because when Mrs. Chamorro was picked on 2 September to form part of that ticket, she asked me to be her campaign manager, which was not even in my plans. I am a businessman and wanted to do business all my life. However, I said then that we must set everything aside and work on the campaign. No matter how the campaign was, we got the result we wanted: We won. Not only did we win, but we won by a broad majority. Now, thanks to that campaign, the UNO has a comfortable majority at the Legislative Assembly. Mrs. Chamorro then asked me to help her after 25 February, and here I am, helping her. I do not do these things for nothing. I believe that she does deserve all the support, and there are a lot of Nicaraguans who are supporting her wholeheartedly. Now, in this sense, I invite you to read again the UNO's government plan. What did that program say? And I would invite you to clearly point out where we are deviating from that program in which we told the people what we would do. My first concern as a government official, as presidency minister, is to take the country along the path of that government program and the country's Constitution and laws. And that is what we are doing.

Regarding the case you mentioned with Mr. Godoy, I do not really have the capacity to answer for him. I believe those are questions you should ask him. I can answer for what I do. I am trying to coordinate the government's work, and am following instructions from the presidency to carry out that government program. That program did not mention any pacts, and in fact no pacts have been made here. What we are looking for is the civilized way of solving, through dialogue, the differences that Nicaraguans have solved with weapons. I think that the people believe we should go back to solving our differences with arms. They are wrong. The people voted for a government program that offered peace and national reconciliation, and the people voted for it because they are sick of killing one another. I believe this government's job is to solve the differences that exist between Nicaraguans through dialogue. That is what we are doing. I believe in that. No one needs to convince me of it—I firmly believe it. I think that one great thing is that the Nicaraguans killed in the last 100 days for political reasons may practically be counted with the fingers on one hand, whereas before they died by the tens every day [words indistinct].

So, Martita, there is no pact. What we have here is simply an effort being made so that your children may someday live in this country with more peace than you have now, so they can go to school, so they do not waste their time in strikes, so they do not waste their time solving the economic crisis, and so there is progress. We have to progress someday in this country, and we will not progress with war.

[Carballo] Osvaldo Bonilla Henriquez, UPI and VOA correspondent, will now have the floor.

[Bonilla] Mr. Lacayo, Gen. Humberto Ortega said at one time that the EPS had 96,600 men. I say EPS and Sandinist Police because their names have not yet been changed, although the names of National Army and National Police are seen and heard everywhere. The badges still read EPS Sandinist Police. BARRICADA, in today's issue, reported that this figure has been reduced

by 40,000. Fifty- six thousand six hundred soldiers are conspicuous in Managua. If 1,200 idle illegal street moneychangers are conspicuous in Managua, how much more conspicuous will 56,600 be?

Gen. Ortega has also said that the reduction of the Army will be discussed in the coming meeting in El Salvador. They keep saying that the Salvadoran Army is still larger than the Nicaraguan Army. Perhaps.

Dr. Sergio Ramirez has said there is an unusual phenomenon in Nicaragua: There is a rightist government with a leftist political army, security agency, and police. I read it in EL NUEVO DIARIO, which carried an interview on Saturday. The FSLN is now calling for something like a referendum. This was published in BARRICADA today. You must have read it. This would be a congress in which all of the social sectors must participate to determine why they lost the elections, and discuss whether this government is good or bad, whether there must be an army or not, whether the Sandinist workers organizations must continue or not, whether Chamorro should stay in power or not, whether another person should replace her or not. This is a sort of a referendum or plebiscite, something like that. It has been said that with this congress the FMLN is attempting to assess the reality from the people. I think the results would be negative for the government platform of the UNO and Chamorro. There are plans to request a shorter electoral term. This has already been discussed. Former President Ortega mentioned it several times, and you have read it in BARRICADA also. Would you people agree to reduce the electoral term? Where are those 56,600 EPS unemployed? Why is there a rightist government with a leftist Army, police, and security organizations?

In addition, it is no secret that Alfredo Lacayo is the most influential man in this country, the man closest to Chamorro. His position is one of aggressiveness in everything. Also, it is no secret that he is the one who opposes a rapprochement between the vice president and the president. Godoy said—this is recorded—during a breakfast of the Press Club: Lacayo and Humberto Ortega were my subordinates. Does Lacayo agree with this?

Regarding the privatization of the people's owned areas, where there are all of the Sandinist structures, more than 300 properties, more than 400,000 workers, all of them Sandinists, naturally we must oppose this return to private ownership because it would result in losing 400,000 followers. What do you think about this situation?

[Lacayo] First of all, I appreciate your question because it includes much constructive criticism, and that is what this program is about. I will try to be brief because you touched upon several matters. First of all, the 96,600 soldiers. I understand that this is so. In December the Army had approximately 96,000 men. So this figure is correct in accordance with the charts we have seen. There were approximately 30,000 self-defense militiamen. These are armed cooperative workers who are virtually no longer attached to the Army at present. Consequently, these 30,000 men are not unemployed because they live off their cooperatives. Previously, however, they were part of the Army, particularly in the war zones, and responded to the Army's military guidelines. Apart from that, I think there were 20,000 or 22,000 members of the Patriotic Military Service. The great majority of them have returned to civilian life. Regrettably, these are the ones we are seeing without jobs. Some of them hold regular jobs, but the rest are jobless. Something is true, however. The Army now has less than 40,000 men. I personally read the figures of the allocations made monthly to the Army. This is one of the greatest expenditures in this country. If the number of soldiers was larger, this would mean the salaries would be too low. So the figures balance.

I do not think the government is rightist and the Army is leftist. I do not consider myself a rightist. You said I am one of the most influential persons. You think I am a rightist; I do not think so. I think the positions we are trying to assume are centrist, very broad. We would like to weaken the far rightist and far leftist positions. I think the great majority of Nicaraguans want to walk along the center. They only want to be respected. We want only to live here and to work and progress without getting in someone else's way. This is a centrist position. This is the position of the majority of Nicaraguans. I think this is a centrist government. There are some linked to the government who are inclined to the right a little more, and there are some who are a little more to the left, but I think that this is fundamentally a centrist government. I think the Army and the police are not leftist. They have been Sandinists, but they now have made a commitment to become just professionals.

Each member of the police and Army can now vote for the party of his choice in our next elections. The institutions, however, are not going to be rightist or leftist. They are going to be institutions that comply with the Constitution and further the interests of the country as a nation. Obviously, this has never existed in Nicargua before. We must create an army that understands the new situation, and, to be honest, the new situation is even hard for us to understand. I believe, however, that we are inevitably heading in that direction and that the armed forces and the police are going in that direction too. We are obtaining professional advice from countries such as Spain to help us form these institutions. For example, they will help us form a more professional police corps. Naturally, some people in the police corps may not agree with the changes. We hope we will be able to detect them and get them to leave it if they do not agree with its principles. Other members of the institutions will agree with the changes. I believe this is a gradual process. Democracy is a gradual process. It is not revolutionary, in the sense that it is not obtained in an instant. Things are not done from one day to the other. However, I sincerely believe the armed forces and the police corps are on the road to becoming professional institutions.

You also broached the subject of shortening the term of the government. The people have the last word on this. If people want the current government administration to end tomorrow, it will end tomorrow because, as I said previously, this government was not imposed but was elected by the people. So, if the people want it to end tomorrow, it will do so. There is no problem. Thus, referendums are welcome here, and if people believe another group of citizens can manage the country better than we can, it is all right. That is the truth. They are within their rights.

Another topic you mentioned was the BARRICADA report on the Sandinists holding a congress to study the whole situation. They are acting within their rights. Let them study the situation. I wish all the political parties would do this. It would be like putting on a scale the good and the bad, the beautiful and the ugly, as well as the options we have as a nation. We must realize that we are close to the year 2000—it is less than nine and one-half years away—and we must see if there exists any better formula to lead our country into the next century with peace, progress, and understanding than the one this government is offering.

Let us look at things clearly. I realize that the situation is difficult and that the people are becoming desperate. However, what we have to see here is what the options are. Sometimes the toughest job of a politician is not just to choose between the good and the bad or between good and bad times. That would be [word indistinct]. The problem is that many times one has to choose between the bad and the worst. That is where the difficulty lies. One chooses the bad option because choosing the worst would be disastrous. Then the government is criticized for choosing the bad option because there was not a good one.

Therefore, there are difficult times when the government has to choose the bad options because the other alternative is sometimes even worse. However, if the people or all of the country's political forces feel that other alternatives are available, they must be explored. We must discuss them at these forums. One has to help out, but this must obviously be done with a look to the future. We must not look back. That runs counter to history. The whole world is looking forward.

The last point is that of subordination, which [word indistinct]. Actually, as I have said, I am here because Chamorro asked me, and I will stay until she says. She is the president of the Republic and chief executive, and I work for the executive branch. One cannot have two bosses. As the Bible says, one cannot serve two masters. [passage omitted]

[Carballo] We will now receive the penultimate question during this broadcast, on telephone 70-8-93. Go ahead.

[Caller] Good afternoon, Mr. Presidency Minister. I must say, first of all, that I believe in your honesty and do not believe any of those rumors that are circulating about pacts. I want to say the following: All of us Nicaraguans voted for change. At this juncture, the change has not yet taken place. I also ask what is happening, because Government Minister Carlos Hurtado is avoiding reporters. Does he not have enough courage to face all of them? What is happening to the president's central government? What has been done about Vice President Virgilio Godoy's ideas? Does he disagree with the Sandinists' continuing to rule from key posts in the Army? What will Chamorro do if for some reason Dr. Godoy resigned from the vice presidency? If this happened, what would the EC say? Thank you. I am Norma de Morales, from Bello Horizonte.

[Caller] Engineer Lacayo, I am Julio Centeno Gomez, a practicing lawyer in this capital. My question is: Based on a legal mandate, in the United States and many countries of the world—including Nicaragua historically—the vice president of the Republic performs high-level functions in the government. I think this method of operation is logical because, on the one hand, this is politically just to the running mate of the presidential candidate who won. On the other hand, the rich knowledge this person may have in regard to political or administrative matters is put to good use. It is only logical to suppose that the person has such knowledge when he or she has reached such a high position.

My question is: Why has Nicaragua become the exception and strayed from this sound democratic practice of the West, particularly of the American world, by separating Dr. Godoy from public functions? I hope your response will be positive. What I mean by this is that I do not want you to answer saying that this matter is up to the president, because it would be very easy not to give a response or a solution to the case. It is more than widely known that the key government decisions in this country are adopted by a group of intelligent men, and that you are one of them.

[Lacayo] Thank you. I will immediately refer to your question after I am finished with Dona Norma. Dona Norma asked why the government minister avoids reporters. Well, what happens is that reporters often go to the point and ask questions whose answers must be very well thought out. However, I am sure that Minister Hurtado would gladly meet the press. I will convey your concern to him and to all ministers in the cabinet, as well as to all other persons in high positions in the government. I think they must all be open to these constructive criticisms, questions, and expressions of concern. This is the government elected by the people and, in this sense, you are the government's top leaders.

Therefore, what we public servants have to do is find out where the concerns, questions, and discontent are in order to provide responses. So, all government officials must submit to this kind of program gladly and willingly. This way we can see how we can improve things little by little and find responses to the various concerns.

Your question is: What would the government do if the vice president resigned? Actually, I would answer it this way: This matter is exclusively the province of the National Assembly. All the executive branch would have to do is to issue an opinion on it. However, the decision would solely and exclusively fall on the National Assembly. The Constitution establishes the mechanisms to handle these cases. Therefore, the decision would be up to the deputies, to representatives of the people, and to the 92 people who sit at the National Assembly every two weeks to discuss legislative matters.

This leads me to the question from Dr. Centeno. Constitutions vary from country to country. The functions of the vice presidents, especially, vary from country to country. I just visited Mexico and there is no vice presidency in Mexico. In Venezuela there is no vice presidency, either. In other countries, like in Costa Rica, there are two vice presidents. Some vice presidents have functions that are established by the Constitution. This is the case of Guatemala. Other constitutions, such as ours, are very laconic. Ours states that the vice president will have the functions assigned to him by the president. Therefore, in Nicaragua the president is the one who decides what functions the vice president will have.

The issue here is the future—the perspective, basically. With no design to add to the differences that may exist, I want to say that I believe that the problem lies in how the vice president and Chamorro view the reconciliation issue and the basic postulates of the government plan, the first three or four points of the government plan. These points state that this will be the government of all the Nicaraguans.

I believe that there are conflicting points of view here because during the election campaign period it was clearly seen that Chamorro's position favors pardon, peace, a policy of forgive and forget, an embrace among brothers, and reconciliation. The speeches by the vice president, however, usually evinced a different position. Positions on this issue are not shared. This must be said frankly.

We believe, however, that the postulates of this government plan must be strictly complied with, and the government plan points to reconciliation. We must be realistic and able politicians and understand that Nicaragua can make progress only through an understanding among Nicaraguan brothers.

We are at Radio Catolica, in the "Church" newscast program. Radio Catolica is the radio station of the bishops of Nicaragua, of Cardinal Obando, of all of us who are Catholics. We are Catholics because we believe in a person who died almost 2,000 years ago, the Son of God who preached a doctrine in which we are to believe, and we have no doctrine other than love and reconciliation among Nicaraguan brothers and among all brothers in general. There is no other possibility here or in the world. There are countries which, because of their economic wealth or their natural wealth, can ignore Christian beliefs and the people will tolerate that. In the case of Nicaragua, if we ignore our Christian beliefs we will not be able to make progress. Nicaragua could not move ahead if we started settling accounts. There would be no way out if we, instead of looking ahead, start looking back to see who committed errors and who did not. We must remember that Christ himself said: Let him who feels free of guilt cast the first stone. I would like to know who here believes that he has been perfect during the past 10 years.

I would like to know who believes that he has not made any mistake in the past 10 years. Errors have been committed. Some are more serious than others, but if we start acting like a court judging the past, the year 2000 will find us still arguing over who committed this or that error.

The future is at stake. The future of Nicaraguan children and young people is at stake and they want us, who have lived more than half of our lives, to prepare their future, to have Nicaragua make progress, to have Nicaragua breathe freedom and tolerance, to keep rifles aside so that they never again are used as tools for resolving differences because that brings only death and destruction. We have spent 12 years trying to resolve problems through violence, and what do we have? More heroes, more martyrs, more death, more handicapped people, and more destruction.

Let us look at other Central American countries. Let us look at Costa Rica and see progress. Let us see how there are many schools, how patients are really taken care of in hospitals, and how parks function. Here, because we dedicated ourselves to resolving our problems with bullets and machetes, we are behind. But there is a good point: Nicaragua can move forward because this is, in essence, a rich country and we are a hard-working people. However, to be able to work well, we have to promote the path of reconciliation, which is the path being advocated by the Catholic Church, by all the churches, because everybody knows that this is the best path man has.

The UNO government platform calls for reconciliation as a healthy measure. It calls for understanding among all Nicaraguans, regardless of political positions. For this reason I constantly ask the people to keep checking with the government platform that the UNO drafted in August of last year, some 12 months ago, and to see how these postulates were seen then as the best solution for Nicaragua. This is the road this government is trying to follow. The moment Dr. Godoy and other people who do not share this position in favor of reconciliation come to share it, I am sure they will have an important function to play in resolving these problems. However, as long as they maintain different positions, this will be difficult because reconciliation is a key issue in Nicaragua.

The problem here is not so much the economy. The problem here is: Are we Nicaraguans going to understand each other, or are we going to continue killing each

other? Personally, I firmly believe in reconciliation. I know it is difficult. Who does not have a relative who was killed? Who did not have property confiscated? Who has not been insulted? Who has not been slandered? All of us have gone through that. However, I believe that the people do not want to hang out the dirty linen and settle old accounts, or to start a new hassle or a new civil war to resolve the war we have just ended. I believe that we have to look ahead, and that as we Nicaraguans look ahead, we will find points of agreement. Maybe in a few years we will recall this period of our history as something of the past. This is what our government wants: to start seeing what is good in the country and what can unite the Nicaraguan people, and to stop looking at the many things that have unfortunately separated us for many years.

I thank you. I believe there are no further questions. The program has been too long. I want to thank Msgr. Bismarck Carballo, Freddy, Osvaldo, Filadelfo, all the people who called in, and all the people who have been listening on the radio as they do every day because Radio Catolica fulfills its role. I will ask other government people to try to secure an invitation from Radio Catolica to participate in this program because I think we all have the obligation to come here to state our points of view and answer your questions. I thank you, and I ask you to look ahead. Be sure that the road ahead of Nicaragua is one of progress and peace—a road worthy of being taken.

CSFR's Havel Arrives, Relations Reviewed

LD1308210590 Prague CTK in English 1944 GMT 13 Aug 90

[Text] Managua Ag 13 (CTK)—President Vaclav Havel of Czechoslovakia arrived here today on a one-day official visit, at the invitation of President Violeta Chamorro.

He arrived here from Bermuda where he spent a fortnight's holiday. On Tuesday President Havel is scheduled to leave for Mexico.

The fact that Nicaragua is the first Latin American country visited by Czechoslovak President Vaclav Havel is characteristic of the new orientation and content of the Czechoslovak foreign policy.

Vaclav Havel sincerely welcomed the victory of Violeta Chamorro over Sandinistas in the February presidential elections immediately after his return to Prague from Moscow where he met for talks with Mikhail Gorbachev on February 26-27. He expressed admiration for Mrs. Chamorro, a democrat who in April 1980 resigned her membership of the steering council of the government of national reconstruction because of her opposition to steps of the Sandinistas who took over power in the country after the fall of the Somoza dictatorship in July 1979.

Though diplomatic relations between Czechoslovakia and Nicaragua were established already in 1930, they practically did not develop due to the geographical distance and mainly because of the different degrees of economic development and concepts of democracy.

The communist regime in Czechoslovakia after 1948 was not naturally interested in continuing the relations though it did not break them off. On the other hand, from the 1960's, it tried to maintain trade contacts with Somoza's Nicaragua without too much publicity. Czechoslovakia imported mainly cotton, bananas and coffee and exported cars, glass and consumer goods.

After the victory of the people's revolution in Nicaragua, the two countries' diplomatic relations were raised to the level of embassies in December 1979 and in April 1980, the first official agreement in the sphere of trade was signed.

The Marxist orientation of the Czechoslovak foreign policy elevated the relations with Nicaragua to the second place after Castro's Cuba in the framework of interests in the Latin American subcontinent. All-round contacts were developed, including offering treatment and studies to Nicaraguan guerrillas in Czechoslovakia, assistance of Czechoslovak experts in agriculture, veterinary medicine, geology, etc.

Czechoslovakia's material and humanitarian assistance was growing as the Sandinista regime was getting into ever greater political and economic difficulties and international political isolation. It was boosted mainly by the two official visits of President Daniel Ortega to Prague in 1984 and 1985. Thus till 1989, Czechoslovakia's assistance to Nicaragua was the biggest granted by the country to developing states. The imbalance of Czechoslovak-Nicaraguan relations is demonstrated by the fact that in 1989 Czechoslovakia's exports amounted to 16.8 million dollars and imports only to 1.9 million dollars.

The current visit of the Czechoslovak president to Nicaragua will bring mainly the re-evaluation of stands of the past ten years in the two countries' relations. It should give new impetuses to fulfilling agreements on economic, trade, scientific and technological and cultural cooperation.

Chamorro Welcomes Havel

PA1308235890 Managua Domestic Service in Spanish 1815 GMT 13 Aug 90

[Excerpts] Good morning listeners of Radio Nicaragua, the voice of the new Republic. We are here at the Augusto Cesar Sandino International Airport, where a Czechoslovak Government plane has just landed. The plane is bringing Czechoslovak President Vaclav Havel, who is beginning an official visit to our country.

His Excellency Czechoslovak President Vaclav Havel and his distinguished delegation will be welcomed by Her Excellency President Violeta Barrios de Chamorro, His Excellency National Assembly President Miriam Arguello, His Excellency Supreme Court of Justice President Orlando Trejos Somarriba, His Excellency Supreme Electoral Council President Mariano Fiallos

Oranguren, the members of the Nicaraguan cabinet, ministers of state enterprises, members of the Nicaraguan Armed Forces General Staff, representatives of the diplomatic corps accredited to our country, and Czech and Slovak Embassy personnel. In addition, His Excellency Nicaraguan Vice President Virgilio Godoy has also come to welcome President Havel. [passage omitted]

[Begin Chamorro recording] Mr. President and friend Vaclav Havel. This is a happy day for my people. This is the reunion, through Your Excellency President Havel, of two sister nations who over the past 40 years have struggled for the same ideals without knowing each other and without knowing that their struggle for freedom was such a deep bond between them.

Our people have shared the pains of creating men who are shaped by dignity and rights. Our people are brothers in the struggle of that Prague Spring, which represents both Prague and Managua. It is the spring of a (?humanism) that is called democracy.

Our people are brothers in the awakening of civic values and literary awareness. Our people used their votes and defeated the long night of oppression.

Mr. President, this fraternity has lit a torch in each of our peoples so that His Excellency in Europe and this humble servant in Latin America could unite our forces to illuminate the world's aspirations as we approach the new century. We have yearned for that humanistic and [word indistinct] culture that Your Excellency has found in your people's dreams, as you said in your masterful presidential inauguration speech. That same culture existed in our dreams and it was the mysterious force that encouraged the peaceful, [word indistinct], skeptical, and apparently cynical Nicaraguans to rid themselves of the totalitarian yoke peacefully and with great decency.

Your predictions were also fulfilled among us. For that reason, I will place my torch next to your powerful one. My weak hands are carrying the torch with great faith in its light because I inherited that light from a martyr who believed in and struggled for your same ideals. This martyr was murdered and he bequeathed to me his faith and ideals. I am referring to my late husband Pedro Joaquin Chamorro, who today would be the happiest witness of this meeting between two nations that are united by their wish for freedom, democracy, and decency.

Your Excellency, the doors of Nicaragua are open for you and we open these doors with the applause, happiness, and pride with which doors are opened for a liberator. Thank you very much. [applause] [end recording] [passage omitted]

Panama

Linares on Talks With U.S., Canal Treaties

PA1308161690 Panama City EL PANAMA AMERICA in Spanish 13 Aug 90 p 1A

[Report by Juan Pritsiolas]

[Text] Foreign Relations Minister Julio Linares has reported that the Panamanian Government has been holding talks with the United States about the weapons the U.S. Army seized from General Manuel Antonio Noriega's forces after the invasion of 20 December.

The foreign minister refused to elaborate on the contacts with the U.S. authorities, arguing that "it would not be advisable to voice any views on an international matter that is under discussion because many times this may hinder the talks."

The U.S. Army seized or purchased approximately 80,000 weapons, most of which were Soviet-made, from Panama Defense Force [FDP] members and Dignity Battalion militiamen. Several months ago, Comptroller General Ruben Dario Carles said the U.S. Government should pay Panama for those weapons.

Recently, lawyers Juan Lombardi, Miguel Antonio Bernal, and Miguel Vaneguas lodged a complaint at the Attorney General's Office against Generals Maxwell Thurman and Marc Cisneros, accusing them of misappropriation. Maxwell and Cisneros, who commanded the invasion in December, ordered the purchase of the weapons from the FDP and Dignity Battalion members.

During a television appearance before the end of his mission in Panama, Gen. Cisneros claimed that the weapons belong to the United States because it paid thousands of dollars for them.

On other subjects, Foreign Minister Linares confirmed that the Endara government's stand regarding the Panama Canal Treaties is not to amend them in order to not prolong the U.S. military presence [in Panama].

He noted that there are still nine years left for the canal and the U.S. military bases to revert to Panama, and circumstances may change completely in the interim. It will fall on subsequent governments to consider any request from the United States to amend the treaties in that sense.

Minister Linares reported also that only 40 percent of Panama's diplomatic service is currently working. He said that 60 percent of the consular officials who have been appointed have not been able to assume their functions for economic reasons.

Deputy Says 'Agreement' Exists on Assembly Post

PA1308135090 Panama City Radio KW Continente in Spanish 1200 GMT 10 Aug 90

[Text] Roberto Garibaldo, legislator for the Nationalist Liberal Republican Movement [Molirena], has said that all parties within the Civic Democratic Opposition Alliance [ADOC] will keep a gentleman's agreement whereby the next president of the National Assembly will be a Molirena legislator.

[Begin Garibaldo recording] I want to explain that it was announced, even by the top Molirena leadership, that a political pact exists. We have a coalition goverment made up of four political groups. A gentleman's agreement was made in the Assembly among coalition members that established the way the Assembly Presidency would rotate. A Christian Democratic Party [PDC] legislator served as president in the first session. The other parties kept and abided by this pact. For that very reason, and because of that agreement, the president of the next Assembly must belong to Molirena. We are certain that all ADOC parties will keep to the agreement.

Failure to do that will bring about something no one wants in this country. We are proposing and promoting unity among the progovernment parties. We want to maintain that unity. I think we are going to be sufficiently responsible and cautious in our remarks and final decisions to maintain the unity the government requires. I can tell you that the 14 legislators of the Molirena bloc will hold a meeting to decide on and announce our candidate for assembly president. We are certain most ADOC parties will keep their commitments.

To say the pact will not be kept is rather risky. I can be very frank. No ADOC party wants to break the coalition. A PDC legislator may have said something different. I do not know if the PDC leadership has yet issued a statement in this regard. A PDC legislator has given his views, and we are all entitled to our own opinions. [end recording]

Arnulfista's Artola Pressures PDC on Rotation

PA1308182090 Panama City LA ESTRELLA DE PANAMA 11 Aug 90 p p 1, A-2

[Report by James Aparicio]

[Text] Arnulfista [Authentic Panamenist Party, PPA] Legislator Francisco Artola yesterday ratified that there is indeed a "political pact" to rotate the National Assembly presidential post among the four government parties led by Guillermo Endara.

"A political pact does indeed exist," said Artola, while giving an opinion on the Christian Democratic Party's (PDC) position of denying the existence of an agreement to allow one of the coalition parties to occupy the legislative assembly presidency during the second legislative period that begins in September.

The National Assembly constitutionally has 67 members of which 27 belong to the PDC, 15 to the Nationalist Liberal Republican Movement (Molirena), nine to the Authentic Liberal Party (PLA), and seven to the opposition former ruling Democratic Revolutionary Party (PRD).

The fight began last week when Milton Henriquez, head of the Assembly's Budget Commission, told the local media that the PDC would back Raul Ossa for the high post.

The National Assembly has convened during the last few months—minus nine members who belong to electoral circuits that are holding new elections on an unspecified date.

A Molirena spokesman gave assurances that the pact took place at the begining of the year at a meeting in which the PDC took part, represented by National Assembly President Carlos Arellano Lennox who is currently visiting Taiwan.

Taking part in the agreement, aside from Arellano, were PLA President Arnulfo Escalona, Arnulfistas Francisco Artola and Lucas Zarak, and Labor Minister Jorge Ruben Rosas on behalf of Molirena.

The political agreement establishes that Molirena, the PLA, and the Arnulfistas would occupy the assembly's presidency during the second period; the PLA, the Arnulfistas, and the PDC during the third period; the Arnulfistas, the PDC, and Molirena during the fourth period; and the PDC, Molirena, and the PLA during the fifth and last period.

Parliamentary circles report that tensions have increased due to the PDC's insistence of not accepting the agreements and have warned that the progovernment alliance "could weaken or even split."

The source, however, did not rule out that Molirena, the PLA, and the Arnulfistas could reach an agreement with the PRD to "end" the PDC pretensions when the time comes to elect the legislative assembly president.

Molirena has proposed Legislator Alonso Fernandez.

"If we are an alliance, there should be a rotation," Artola said, adding that "this pact must be kept because it is a gentleman's agreement."

Argentina

Menem Reiterates Offer To Send Peace Force

PY1308133290 Buenos Aires TELAM in Spanish 1251 GMT 13 Aug 90

[Text] Buenos Aires, 13 Aug [TELAM]—President Carlos Menem said today that "if the United Nations requests it, Argentina will send officers and noncommissioned officers to make up an eventual peace force in the Persian Gulf."

Menem added that "we are going to study this possibility with the chiefs of the Armed Forces. We will make a decision in accordance with the Argentine needs. If we send troops, only professional soldiers will go."

Menem made this comment today just before leaving the Palermo Fair where he opened the 104th Livestock, Agriculture, and International Industrial Fair.

Pharmaceutical Group Seeks Patent Protection

PY1308224690 Buenos Aires TELAM in Spanish 1827 GMT 13 Aug 90

[Text] Buenos Aires, 13 Aug (TELAM)—President Carlos Menem today told representatives of the Argentine Industrial Center of Pharmaceutical Laboratories (CILFA) that the matter of medicine patents "will have to be agreed upon by all interested sectors," and then submitted to Congress for the further approval of a medicine law.

This announcement was made by CILFA Director Raul Zavalla Carbo at the end of a meeting with President Menem at Government House. Zavalla Carbo stressed the importance of preserving the pharmaceutical market in Argentina, "and not surrendering it to multinational companies that will capture it."

Zavalla Carbo, who acted as the spokesman for the CILFA members, pointed out that President Menem "has made it clear that the government will make a decision on the medicine patents as soon as the matter is thoroughly analyzed, taking into account the requirements of the national industry and the necessary legal measures to keep the country from surrendering the market."

Zavalla Carbo said that his sector "is very concerned" about the statements made by Jorge Pereyra Olazabal, industry and foreign trade under secretary, to the effect that "the government had already made a decision on the medicine patents."

He said Menem had expressed to them his wish that "more harmonious solutions can be found between international requirements and the need for the domestic market so that the Argentine pharmaceutical industry can survive." In this regard, Zavalla Carbo said that "this matter will be discussed in Congress."

Asked about the way the recognition of the international medicine patents may affect the Argentine market, Zavalla Carbo said: It will be harmful in the sense the U.S. market seeks to implement the patent law, because that will mean surrendering the Argentine market as a captive market to the multinational enterprises.

Asked about a possible deadline for the government to find an answer to the patent matter, he said: There is a commitment to jointly find a solution by September 1991.

He finally said that President Menem "has granted full guarantees to the matter on medicine patents, taking into account that he has suggested that we jointly draft a project and the possibility of submitting it to Congress for a debate."

The meeting was also attended by Foreign Minister Domingo Cavallo, Health and Social Action Minister Eduardo Bauza, Health Under Secretary Daniel Perlusky, CILFA President Alberto Alvarez Saavedra, and CILFA directors Alberto Chilling, and Anibal Caprile.

Brazil

Rezek Says Sending Troops to Gulf 'Improbable'

PY1308170890 Madrid EFE in Spanish 1631 GMT 13 Aug 90

[Text] Rio de Janeiro, 13 Aug (EFE) — Brazilian Foreign Minister Francisco Rezek today said that it is "improbable" that Brazil will send troops to the Persian Gulf to join the multinational force that is facing the Iraqi Government.

Rezek indicated that Brazil could participate in a military force created by the United Nations, although he predicted that the Iraqi-Kuwaiti conflict "will be quickly" and "peacefully solved," and that the crisis will be dealt with by an international negotiating team.

Regarding the peace plan that was released by Iraqi President Saddam Husayn on 12 August to resolve the Persian Gulf problem, the foreign minister stated that it is "difficult to accept" and it is not very viable because it involves "third countries that having nothing to do with the conflict."

The Brazilian minister rejected the possibility that the Iraqi-Kuwaiti conflict could provoke a third world war, because "the superpowers have now become brothers."

Asked about an eventual U.S. military intervention in Iraq, Rezek stated that Brazil has obeyed the UN Security Council's resolution that imposed an economic boycott against Husayn's government, but that "active action of any type was never discussed," and that he asked that "it go no further than that."

Rezek stated that Brazilian President Fernando Collor de Mello has not yet received an answer to the petition

that Husayn made on 11 August asking for the evacuation to their country of the Brazilian citizens in Iraq and Kuwait.

Approximately 500 Brazilians live in Iraq. Three hundred and fifty of them work for Brazilian firms that are doing engineering work in that country.

In 1989 the two countries negotiated trade valued at $1.8 billion, and during the past 10 years Brazil has sold military planes and light and heavy weapons to Iraq.

Supply of Military Technology to Iraq Denied

PY1408015290 Madrid EFE in Spanish 0107 GMT 14 Aug 90

[Excerpts] Brasilia, 13 Aug (EFE)—Brazilian Foreign Minister Francisco Rezek today denied that his country supplies military technology to Iraq. In this regard, Rezek pointed out that Brazil can contact former Army officers who apparently are now in Iraq developing a missile.

Rezek met the press at Itamaraty Palace, the Foreign Ministry's headquarters, and pointed out that the Brazilian Government "does not rule out" the possibility of negotiating with those reserve officers (without specifying their rank while on active duty) who "are or could be in Iraq."

Apparently, through retired Reserve Brigadier Hugo Piva, a former Aerospace Technology Center (CTA) director, Iraq could have recruited former CTA technicians to eventually develop a missile.

According to information published by the Brazilian press on several occasions, such a missile will be similar to the "Piranha," whose development was abandoned by Brazil because of a shortage of funds.

This missile was designed to be similar to the U.S.-made "Sidewinder" or the French-made "Exocet," with a five-km range and a 12-kg payload. [passage omitted]

Rezek pointed out that "action" could be taken against those technicians, reminding them that they belong to the reserve and that their activities "provoke difficulties" for the Brazilian Government.

In addition, the Brazilian foreign minister described as "absurd" the idea that his country could be assisting Iraq in building an atomic bomb as Brazil does not have the technology required for this. [passage omitted]

Brazilian Citizens Free To Leave Iraq, Kuwait

PY1308190090 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 13 Aug 90

[Excerpts] Nine Brazilians who work for the Mendes Junior Construction Company have left Iraq through Jordan. They obtained permits because some were on vacation and the contracts of others had expired.

The Mendes Junior Company also reported that the 234 Brazilians who work for the company in Iraq continue to live in the (Cefam) camp located 300 km from the Kuwaiti border, and in the (Expressway) camp located 800 km from the Kuwaiti border. Another 128 Brazilians who work for other Brazilian companies are also in the (Expressway) camp. [passage omitted]

In Brasilia, the Iraqi Embassy just announced that all Brazilians in Iraqi territory have been authorized to leave the country freely. The position of Iraqi President Saddam Husayn was announced in an official note just distributed by the Iraqi Embassy in Brasilia. The note says that Brazilians living in Iraq and in Kuwait are allowed to travel, and to leave the country freely. The note also says that all the Brazilians living in Iraq are well. The note adds that Iraq reaffirms its concern over maintaining good relations with the Brazilian Government and people.

In a news conference, Iraqi Ambassador to Brasilia Qays al-Mukhtar said that Brazil can resume its oil supply from Iraq.

[Begin Qays al-Mukhtar recording, in Arabic with simultaneous Portuguese translation] Following the normalization of the situation with Brazil we are going to study the interests of the two countries, and peoples. [end recording]

Itamaraty reiterated that the Brazilian Government will not answer any Iraqi request to break the economic blockade ordered by the United Nations. [passage omitted]

Itamaraty has just reported that 30 Brazilians who were in transit in Iraq have left that country through Jordan.

Itamaraty Spokesman Comments

PY1408023890 Brasilia Domestic Service in Portuguese 2200 GMT 13 Aug 90

[Report from Itamaraty by Gustavo Mariani]

[Text] Twenty-six Brazilian citizens have already left Iraq. They are now in Amman, the capital of Jordan, waiting for available airline space to return to Brazil.

The Foreign Ministry has received with optimism the release of an official note by the Iraqi Embassy in Brasilia, which allows the Brazilian citizens living in that country and in Kuwait to leave the two nations that are at war.

Itamaraty spokesman Jose Vicente Pimentel has said that many Brazilians are already in Amman waiting for a vacant airplane seat on the flights departing that city in order to return to Brazil. Meanwhile, he admitted that there are still problems regarding Brazilians in Iraq.

[Begin Pimentel recording] We also have information that there are still some difficulties with the Brazilians who have contracts with the Iraqi Government and even

with the embassy personnel and their dependents, because the diplomats who are there will remain.

We await a clear indication from the Iraqi Government that all those Brazilian citizens who want to leave Iraqi territory will be allowed to do so without any problems. [end recording]

Jose Vicente Pimentel added that, as long as the Persian Gulf impasse persists, Brazil will continue to respect the UN decisions, banning trade with Iraq, and will not purchase petroleum from that country despite the offer to sell it that was expressed today here in Brasilia by Iraqi Ambassador Qays al-Mukhtar.

Debt Negotiator on Impact of Persian Gulf Crisis

PY1408030490 Brasilia Domestic Service in Portuguese 2200 GMT 13 Aug 90

[Text] The Persian Gulf crisis could have an impact on the foreign debt negotiations, but the government considers it is too early to make any assessment. According to Jorio Dauster, the special ambassador for foreign debt affairs, the main impact involves the balance of payments.

[Begin Dauster recording, in progress] ... impact on payments.

If oil prices remain stable at those levels, there would be an annual expenditure on the order of $1 billion above that which Brazil would already have to spend.

In the second place, Brazil also [words indistinct] significant connotations for Iraq and for Kuwait, which, under embargo conditions, could be suspended. At this moment, however, this is just a numerical exercise. [end recording]

Ambassador Jorio Dauster said that the economic team has already begun talks with the National Congress in order to discuss the basis for a possible agreement with the IMF. He made it clear that the presence of the IMF mission for another week is not related to the crisis between Iraq and Kuwait.

IBGE Reports July's Consumer Price Index

PY1408032090 Brasilia Domestic Service in Portuguese 2200 GMT 13 Aug 90

[Summary] According to data supplied by the IBGE [Brazilian Institute of Geography and Statistics], the National Consumer Price Index totalled 12.62 percent in July, 34.92 percent in the last quarter, 300.40 percent in the past six months, and 4,567.98 percent in the past 12 months.

Chile

Pending Policies With U.S. 'Treated Normally'

PY1408021890 Santiago Domestic Service in Spanish 2300 GMT 13 Aug 90

[Text] Foreign Minister Enrique Silva Cimma has stated that pending policies with the United States are being treated normally, with no hidden agendas. The minister has replied to reports about the deficient international relations policy the Chilean Government is reportedly developing with the United States.

[Begin Silva Cimma recording] These things are proceeding in normal and reasonable ways, with no hidden agendas or hysterical steps. [end recording]

These criticisms stress the Chilean policy, which is extremely conciliatory to the United States. They also stress the negative aspect of the cancellation of the U.S. President's visit to Chile. Those are capricious opinions which are absolutely unfounded, the foreign minister stated. He added that the Foreign Ministry does not adopt hardline but only prudent policies.

FMLN Leader Visits, Comments on U.S. Aid

PY1308153890 Madrid EFE in Spanish 0220 GMT 10 Aug 90

[Text] Santiago, 9 Aug (EFE) — Ernesto Cisneros, a leader of the Farabundo Marti National Liberation Front (FMLN), has stressed here in Santiago today that the Salvadoran guerrillas have approved the U.S. Government plan to reduce its aid to the Salvadoran Army.

The reduction of military aid "is a real and efficient way to persuade" the Salvadoran Armed Forces to accept the country's demilitarization as proposed by the FMLN, the guerrilla leader said.

"The United States can become the main peace factor in El Salvador," Cisneros emphasized, adding that the FMLN has an authentic desire for peace and democracy.

The politician acknowledged that the Salvadoran people "are tired of war," and admitted that the new global situation and the defeat of the Sandinistas in Nicaragua have caused the FMLN to change its strategy, but at the same time he accused Alfredo Cristiani's government of "not wanting to give up its war policy."

"We have overcome the vicious circle of revolution and counter revolution, for us at this time demilitarization is the revolutionary form," Cisneros emphasized.

Cisneros explained that the upcoming peace negotiations with Cristiani's Government, in which the United Nations act as mediator, will be held in Costa Rica on 17 August, when they hope to definitely sign a peace accord.

Cisneros concluded a three-day official visit to Santiago on 9 August. During his visit he met with officials from the Foreign Ministry, the presidency, and Congress. He

informed them of the peace talks between the FMLN and the Salvadoran Government.

The Central American leader began a tour in Santiago that will include Brazil, Uruguay, and Argentina.

General Pinochet Creates 7th Army Division

PY1408024890 Santiago Domestic Service in Spanish 2300 GMT 13 Aug 90

[Text] The commander in chief of the Army, Captain General Augusto Pinochet Ugarte, has created the 7th Army Division headquartered in Coyhaique. It replaces the old 7th Brigade made up of an infantry and a cavalry regiment.

Brigadier General Jose Carrera Rivera will be the commander of the new 7th Army Division.

Colombia

Extraditables Issue Communique on Murders, Truce

PA1408023690 Mexico City NOTIMEX in Spanish 0112 GMT 14 Aug 90

[Text] Bogota, 13 Aug (NOTIMEX)—"The Extraditables" said today that Colombian authorities are "defending" the Valle del Cauca Cartel, referring to the Cali Cartel, and they accused that cartel of murdering presidential candidates Luis Carlos Galan, Bernardo Jaramillo Ossa, and Carlos Leon Pizarro Leongomez. In a communique issued today, the group, said to be the armed wing of the Medellin Cartel headed by Pablo Escobar Gaviria, stated that it will adhere to its unilateral truce and will not carry out armed attacks.

"The Extraditables" said that the authorities "are defending the interests of certain citizens of Valle del Cauca." They reiterated that they are not responsible for the murders of presidential candidates Galan (August 1989), Jaramillo Ossa (March 1990), and Pizarro Leongomez (April 1990). They added that the arrest warrants issued by Colombian authorities have become "execution orders." As an example they cited the "murder" of Gustavo Gaviria Rivero, cousin of the Medellin Cartel's boss, who was gunned down on 11 August. "The Extraditables" claim Gaviria Rivero was not armed and did not die in the clash. "The Extraditables" also said that the death of John Jairo Arias Tascon, aka "Pinina," confirmed "our previous charge that arrest warrants have become execution orders." On 14 July "Pinina" died in a clash with the metropolitan police in "El Poblado" neighborhood, one of Medellin's most exclusive areas. In its first communique since Cesar Gaviria took office on 7 August, the group reiterated that despite the deaths of Gaviria Rivero and "Pinina," they will maintain a unilateral truce.

"Our truce is indefinite and our desire for peace is firm," the group members said in a communique delivered to the news media. On 27 July the Medellin Cartel issued another communique announcing the start of an indefinite unilateral truce in its war against security corps. The Administrative Department of Security (DAS) has blamed Escobar Gaviria for the murders of Jaramillo Ossa and Pizarro Leongomez. According to a witness, Liberal Senator Luis Carlos Galan was murdered in August 1989 on orders from Gonzalo Rodriguez Gacha, "El Mexicano," who died in a clash with the Army in December of that year.

* ELN Strategy, Organization Outlined

90WR0206B Bogota EL TIEMPO in Spanish 8 Jul 90 pp 1-a, 8-a

[Excerpt] The ELN [Army of National Liberation]: A History of Bloodshed and Death

[Passage omitted] This year the 49 attacks on military targets during takeovers of towns and assaults on patrols and convoys have left 115 officers, enlisted men, and policemen dead, while kidnappings, one of its main sources of financing and forms of political propaganda, have affected 217 persons in 13 departments.

Even more seriously, during the last 48 months, according to ECOPETROL [Colombian Petroleum Enterprise] figures, the ELN has dynamited the Cano Limon-Covenas pipeline 125 times. The losses in the form of oil not exported, repairs, and royalties not received total $2.013 billion. The figure in Colombian pesos at today's exchange rate is almost impossible to read: 1,065,000,000,000 (a little over a trillion pesos).

The movement does not accept the doctrine of "combining the forms of struggle" that the Revolutionary Armed Forces of Colombia (FARC) advocates. Therefore, it engages primarily in armed action.

Nevertheless, a document from the Administrative Department of Security (DAS) says that unlike the other members of the Simon Bolivar Guerrilla Coordinator, "its insurrectional project is based on the construction of a military apparatus that allows for the existence of only one political arm, which is identified in the "Struggle" movement as a support mechanism that is at all times subordinate to the armed structure."

This warlike tendency has prevailed ever since the ELN emerged back on 7 January 1965, when a group of 100 men, including college students and peasants, assaulted the town of Simacota in Santander at 0750 hours.

This raid, which took the lives of three policemen, marked the debut of the ELN. The group had been firmly set in motion three years before by the Cuban Revolution, when 47 college students visited the island on scholarships that Fidel Castro had offered so that they could receive training in guerrilla warfare and political and ideological grounding. They were part of a legion that later became known as the Jose Antonio Galan Liberation Brigade.

What was to become its first platform, put together during a decade when revolutionary movements were springing up all over Latin America, inspired by the triumphant model that came into vogue with Castro's and "Che" Guevara's struggle in the Sierra Maestra.

In spite of changes in certain strategies and severe military setbacks such as in Anori, Antioquia in 1973, when its main groups were annihilated by the army, its doctrine of war has remained unchanged, although today it is a mix of irregular warfare and terrorist practices, which they simply call "sabotage."

Nomadic Guerrillas

What are the objectives of this pro-Castro guerrilla group? What is its current structure like? What is it after with its attacks on pipelines? What is the role of Father Perez and the other Spanish priests who head a group that nonetheless preaches extreme nationalism? To find answers EL TIEMPO consulted security agencies, interviewed chiefs of the movement in northeast Antioquia, and spoke with recent deserters in the Eastern Plains.

One of its main projects is to cease being a nomadic guerrilla group, that is to say, one that has no fixed base, that strikes blows here and there, and then retreats every so often to avoid direct combat. To this end it is pursuing a growth plan that includes, according to "Rafael," one of the people in charge of the northwest war front, the creation of three fronts of regular forces.

According to a study by the Judicial and Investigative Police Directorate (DIJIN) and the intelligence section of the Second Army Division in Bucaramanga (a unit that has been a bastion in the battle against this guerrilla group), the ELN has 14 rural groups and five urban regional committees that operate in 14 departments and three intendancies.

"Oscar," another of the insurgent organization's chiefs in northeast Antioquia, speaks in turn of five war fronts: the north, with a sphere of influence along the Atlantic coast; the northeast, with groups deployed in Santander, Norte de Santander, Arauca, southern Cesar, and northern Boyaca; northwest, with influence in Antioquia, Sucre, Choco, and Gran Caldas; southwest, with bases in Valle, Cauca, Narino, Huila, and Putumayo, and the central region, whose orbit includes Tolima, Cundinamarca, and Meta.

In the judgment of the Military Forces, the ELN's deployment around the country shows that 90 percent of its structure is concentrated in Antioquia, Santander, Norte de Santander, Cesar, Bolivar, Sucre, and Arauca.

The group turned northeast Colombia into the main enclave of its insurrectional strategy, because its bases there are near the principal oil-development areas.

The people in charge of this rural and urban structure are appendages of the group's hierarchy, which is known as the National Assembly or Collective Leadership. It consists of 17 members, whose political spokesman is former Spanish priest Manuel Perez Martinez, who was known in his youth as "Poliarco."

"In contrast to what people think, Manuel does not have dictatorial power. He is simply the political spokesman of a pluralist leadership whose orders are the result of a consensus," says "Oscar," a 17-year member of the ELN.

Combatants

The bridge between the collective leadership and the factions throughout the country is an organ known as the Directorate of War Fronts, made up of the rebel leaders of each front. The "people in charge" reject the traditional title "commander," which they say is reserved for their fallen heroes, led by Father Camilo Torres.

The ELN has clearly defined the categories of pre-militant, militant, and combatant.

Pre-militants are those youngsters who can join at age 16 and who for at least a year before taking up arms receive training in theory and are indoctrinated in what their chiefs call "revolutionary conduct."

Yorli Quintero Contreras, "Nelson," recalls that he became a pre-militant in November 1980. He lived at the time with his family in the village of El Porvenir de Arauquita and became used to the visits that "Atilano," "Hermes," and "Gabilan," the recruiters for the Domingo Lain Front, would pay him every two months.

"They first taught me the history of social inequality and began to give me the political and ideological reasons for the armed uprising. My primer was the book 'That's Enough!' Then the readings gradually included the internal communiques that the organization put out," he says.

"The sessions were long, between five and six hours, and at first 10 of us boys from the village attended them separately. In November 1981 we were summoned to a two day course at a camp that was a two hour drive from Arauquita. We learned the basics about handling weapons and became experts in assembling and disassembling M-1 rifles. We were 16 years old and we became pre-militants," he adds.

When the pre-militants have a clear idea of what a capitalist society means, the division of classes, and the possibility of Marxist-Leninists working together with Christians, as long as the latter are willing to foster a revolution, they then take a step up the ladder and become militants.

Eyes and Ears...

"Jose," a member of the Southern Front, explains that a militant can already take part in making political decisions. He attends the assemblies, is involved in the pronouncements of the commissions, and promotes plebiscites. The last one took place on 3 March, when

Francisco Uribe was being held captive and the ELN asked "the people" whether they thought he was guilty or innocent of the charge that he was to blame for the Segovia massacre. Uribe is a free man today.

Viewed from the Castro perspective, a combatant is the highest example of a guerrilla proper. Only combatants are given weapons, because only they are fully trained in the political, ideological, and military spheres.

Combatants are selected from among rural and urban groups on the basis of their performance.

There is also a sort of parallel guerrilla force, called self-defense groups. These are village surveillance commands. In their day Cuba and Nicaragua called them the "eyes and ears of the revolutionary process."

They usually do not engage in armed deployments. They take covert action. Each front has a self-defense group, the members of which, no more than 15 per village, store weapons, explosives, and Vietnamese-style traps.

Their primary mission is to report on troop movements (how many soldiers are on the move, in what direction, and how they are treating the population) and to detect possible infiltration, a task that in a regular army is known as counterintelligence.

According to a DAS investigation, this "complex network of logistical support has been strengthened through constant intimidation of the peasant population."

Day after day humble laborers are executed under the guise of the "revolutionary justice" that the ELN proclaims. [Box, p 8-a]

Radical Warfare

The Collective Leadership of ELN met at a spot on the border of Santander and Cesar in late 1989 to review its history and strategies and to decide on the new directions the war would take.

Taking a Marxist-Leninist approach, the ELN leaders reaffirmed their central tenet: war on all fronts until they take power.

Their fronts are urban and rural in both the political and military spheres.

The targets, according to their own words, are the bourgeoisie, the sources of wealth on which transnational companies feed, and the Armed Forces.

Hence their emphasis on kidnapping wealthy farmers and ranchers, their bombings of the pipeline, and their attacks on military patrols and police stations.

In the international sphere, the ELN calls for extending its operations into neighboring countries, in keeping with the idea of spreading the war; its actions in areas along the Venezuelan border have become common by now, in fact.

Inside the country, its work with grassroots organizations in urban areas is a tactic by which it seeks to gain ground so that later on the masses will join what they describe as a general insurrection.

At the meeting the ELN commanders viewed the events in Eastern Europe from their own perspective, without accepting the fact that a sweeping revolution is going on there.

Rather, they interpreted these developments as temporary difficulties stemming from the dogmatic approach of "adhering to certain ways of building socialism under a model valid for all times and in all countries."

The division of society into two classes (with strata and substrata, one exploited by the other) remains the centerpiece of their social analysis.

In its conclusions the ELN accepts the fact that it is far from "taking root among and having bonds with the masses, both in the countryside and the city."

They realize that they are stronger in rural areas and that in the cities "the problem is more serious because our growth in the various fronts of the masses is weak and superficial."

* ELN's Motives for Dialogue Questioned

90WR0206A Bogota EL TIEMPO in Spanish
3 Jul 90 p 5-a

[Editorial by Rodolfo Manrique Z.]

[Text] The violence to which the citizenry has been subjected is wearing down the courage and clear vision they need to ascertain when a dialogue is truly an opportunity for peace or a maneuver of war.

In light of the guerrillas' striking defeat in the presidential elections, in light of the average citizen's acceptance of M-19 involvement in guiding the nation's destiny, and in light of the opportunity to cooperate in deciding our institutional future with the Constituent Assembly, the political leeway of the ELN [Army of National Liberation] and the FARC [Revolutionary Armed Forces of Colombia] as guerrilla movements has disappeared.

No Colombian is going to buy the story anymore that a guerrilla war is justified because a supposedly stifling two-party system does not allow alternative arrangements for political involvement, or that the elections are rigged, or that the traditional parties engage in electioneering that runs counter to their philosophies (by the way, it is high time to include the Communist Party among them).

All of these arguments were demolished by the citizenry on 27 May. So the question is: What will the guerrillas (ELN, FARC) do now? Do they now have the will to accept a mandate from the people? Or do they still claim that terror is needed to convince 30 million "mistaken" Colombians?

The evidence suggests that the ELN will say that it is amenable to dialogue. The aim is to take the citizenry by surprise so that, exhausted by the violence, they will accept the proposal with a naivete worthy of a finer cause.

Let us take a look. In a fancy book that the ELN published this year, "People's Power and New Government (Conclusions of the Second Congress)," it sets forth its future political and military line. It outlines its goals and the means of achieving them, devoting specific chapters to finances, the grassroots and union organizations that must be penetrated, international efforts, and, faithful to its origin and current leadership, the role that certain rank-and-file organizations of the Catholic Church must play.

One of the chapters in the book is entitled "Our Tactics." In the appendix to it regarding "the position on negotiations," the ELN describes how it can avail itself of negotiations to further its objectives.

To the ELN, conversation is an appeasement tactic that is part of a strategy of war. Allow me to quote the book itself: "Negotiation, diplomacy is part of war; it is a continuation of war. It is in confrontation that a change in the relations of power is made. That is the fundamental thing, and negotiation is used as one of the resources to legitimize what has been gained through confrontation."

Lest any doubts remain that the ELN is preparing to distract us with an invitation to dialogue while it organizes itself better, read the following gem: "...a proposal for negotiations is just a tactical factor...(which is) the development of the rear guard, taking off into the cities, raising our strength to new levels. A proposal for negotiations is just an auxiliary part of this tactic."

While the entire country has opened the door wide to constructive solutions to the armed conflict, while it has welcomed the M-19 with open arms in the form of a sizable vote and hopes to do so with other groups like the EPL [Popular Liberation Army], the ELN maintains unchanged its line of revolutionary cells and warfare. The conclusions of its congress make this clear.

"...Negotiation...(of a proposal) does not mean a political solution to the conflict."

Nevertheless, so as not to squander an opportunity to use dialogue as an instrument of war, the ELN is careful to disguise it: "To secure these grievances (the proposal for a dialogue) we can make concessions that do not significantly affect our strategy....For example, we can temporarily cease attacking certain targets, we can order general halts for short periods....Under no circumstances must we allow the premise of demobilization and disarmament to be established." We can thus see that the ELN has no real interest in a rapprochement with Colombians to achieve peace.

* Quintin Lame's Road to Peace Analyzed

90WR0206C Bogota SEMANA in Spanish 3 Jul 90 p 32

[Text] **Three Down and None To Go**

It was not the first time that the counselor for peace, Rafael Pardo, and his advisers had met with the commanders of a guerrilla group. Just a few weeks before, the government officials had held a similar meeting with the central command of the EPL [Popular Liberation Army], and a year and a half back they had held another with the commanders of the M-19. Yet they had a completely different feeling last Tuesday when they met face to face for the first time with the leaders of Quintin Lame.

Unlike the people who used to make up the M-19 or those who constitute the EPL today, most of whom are combat veterans or experts in leftist ideologies, the four commanders who sat down for five hours in Jambalo (Cauca) to discuss the demobilization of Quintin Lame neither looked like hardened combatants nor spoke the language of those lured by the rise of Latin American guerrilla movements in the 1960's who decided to wage their political battle in the jungles. Gildardo Fernandez (the commander in chief), Jaime Ulcue, Ciro Tique, Antonio Ortiz, and the hundreds of Paez Indians, who at one time or another were with them in Quintin Lame for more than 10 years of combat, had a different story. Their only political motivation being the struggle for the rights and interests of the Indians, they had gotten there more as a self-defense movement than as a guerrilla group. That was how the movement was born and that was how it lived in the Cauca region until historical circumstances took away its raison d'etre.

During the many years that Quintin Lame remained under arms it defended its lands and its people with bullets (and often with the help of the M-19). It defended them against the aggression not only of the white settlers but also of the FARC [Revolutionary Armed Forces of Colombia] fronts that were operating in the area. What was initially seen at least as understandable, if not justifiable, soon began to alienate them at first from other indigenous communities, such as the Guambianos, and then even from the members of their own community, who gradually grew tired of the war. But it was more than that. Over time the objective causes that had prompted them to take up arms began to disappear. As they themselves acknowledge today, government programs such as the National Rehabilitation Plan steadily did away with their maneuvering room and reasons for action. From the time that Carlos Ossa headed the Council for Peace, government officials began contacting indigenous communities in the Cauca, drumming up support for their programs. In contrast to the past, when government policies were designed above all to integrate the Indians into the white man's culture, the government and its officials gradually began to understand and, above all, to respect these indigenous communities as ethnic and social groups with their own ways of life and organization.

Such are the accomplishments in this field, that one of the main grievances set forth in the document signed by the government and Quintin Lame last Tuesday, is support for the regional dialogues that began some time ago among the various social forces in the area. Another fundamental element in this process, according to the movement, is a national constituent assembly in which the Indians and their interests have a place. Their ambition in this regard is to raise respect for the rights of the Indians to constitutional status.

Although the government has made it clear that the organization of the Constituent Assembly does not depend on the current administration and that the Indians' grievances will not be negotiated with an armed movement but rather with all of the country's town councils, the process that is getting under way has a good chance of success. Although Quintin Lame at first decided surprisingly to align itself with the position of the National Guerrilla Coordinator and reject the road to peace that the M-19 has taken, it is clear today that the armed indigenous movement has a different attitude and that its desire for peace is sincere. The government officials who, led by Pardo, traveled to Cauca last week saw that for themselves. Hence, the meetings will continue, both on a bilateral basis and together with the EPL and the PRT [Revolutionary Workers Party]. It is obvious that in all three cases the negotiations will not conclude before the change of administration on 7 August. But, even so, there is no reason to believe that they will not continue under the new administration. We therefore have reason to believe that the cooling winds of peace will blow through the country over the next four years, at least in connection with these guerrilla groups.

Paraguay

700 Kg of Pure Cocaine Reportedly Found

PY1308224290 Asuncion HOY in Spanish 13 Aug 90 p 39

[Excerpt] Pedro Juan Caballero [City]—According to a classified report obtained by the newspaper HOY, 700 kg of cocaine is reportedly kept in a clandestine warehouse in our country. It has also been learned that it is quite possible that members of the Paraguayan and Brazilian antinarcotics forces and of the DEA are already aware of this load of high-grade cocaine.

The drug cache may be in Amambay Department, and reportedly belongs to a "top leader" of the international mafia who is being intensely sought by the Antidrug Police Force.

The identity of the drug trafficker has not been revealed but may be of Brazilian descent. He has his stronghold in the Brazilian border city of Punta Pora and he may have connection with the "Brussels Network," or with "the Malaga or Madrid Network," according to the source.

Members of Dinar (National Narcotics Directorate) reportedly discovered the important drug shipment a few days ago, and some suspicious people may have been arrested. [passage omitted]

New Education, Agriculture Ministers Named

PY1308180090 Asuncion RPC Television Network in Spanish 1540 GMT 13 Aug 90

[Excerpts] The RPC [Red Privada de Comunicacion Television Network] scoop has been fully confirmed. Angel Roberto Seifart has been named minister of education. We disseminated the report this morning during our daily "Magazine [preceding word given in English] Trece Diario" program. [passage omitted]

Raul Torres has been named the new minister of agriculture and livestock.

Presidential activity continues at Government House and it is presumed that President Andres Rodriguez will sign the pertinent decrees this morning.

Thus, it has been confirmed that Angel Roberto Seifart has been named as minister of education, and Raul Torres as the new agriculture and livestock minister.

Peru

'Harsh Economic Measures' Create Instability

PY1308155690 Buenos Aires TELAM in Spanish 1834 GMT 11 Aug 90

[Text] Lima, 11 Aug (TELAM-ANSA-DPA)—Two weeks after the inauguration of President Alberto Fujimori, Peru is virtually paralyzed, and uncertainty prevails among the population because of a food shortage, a chaotic economy, and the threat of social upheaval.

The majority of the Peruvian population has reacted with indignation over the harsh economic measures implemented by the Fujimori administration but many people are beginning to accept the measures with resignation. Prices continue to go up after the 300 to 3,100-percent increases ordered by the government.

According to some analysts, inflation will continue to increase at a dangerous rate thus jeopardizing the success of the government stabilization program. The fear of violent reaction from workers became a reality today when the main labor unions talked about the possibility of street demonstrations.

Demonstrations were held in the last two days with some lootings and acts of vandalism. Thousands of businesses are closed over most of the country. The Education Ministry is studying the possibility of not resuming school activities after the winter vacation.

The Armed Forces are alert in view of the possibility of social disturbances or sabotage from armed groups. Army and Police troops are patrolling the capital and

other cities. The situation has become most serious in the poorest sectors of the country where about seven million Peruvians live in misery.

The Fujimori administration has promised to implement a social support program for the poor sectors to compensate the harshness of its economic program. Only some sectors of the population have access to markets and shops which sell their products at an extremely high price.

The U.S. Government has congratulated Fujimori "for taking a courageous stand over reestablishing the economic stability of Peru." The message adds that "we hope that the measures which require sacrifices will lead to the sustained economic development desired by all Peruvians and that they will allow Peru once again to obtain the integration benefits of the international economic community."

According to unofficial figures, the weekly inflation rate was 114.7 percent. Other price increases were also disclosed; they include domestic air fares which were increased about seven times.

The private company Cuanto reported that the accumulated inflation rate from 1 January to 10 August 1990 was 2,886 percent, and that during the last 12 months it has risen by 9,580.5 percent. This week the products and services controlled by the government increased 229.8 percent and the ones which are not controlled increased 83.4 percent.

The products with free prices, such as agriculture products, increased 123.2 percent; industrial products increased by 87.1 percent, and services by 42.8 percent. In addition to the increase in the air fares, there were also increases in road services from 50 to 300 percent.

The dollar rate is showing a tendency to come down. It has come down from 400 intis per dollar the day Prime Minister Juan Carlos Hurtado Miller announced the economic measures to 290 intis to buy, and 310 intis to sell.

Two opposition political parties, the APRA [American Revolutionary Popular Alliance], and the United Left (IU) strongly condemned today the government measures saying that Fujimori has not fulfilled his promise to not implement "shock" economic measures.

During the 10 June runoff presidential elections, these two parties supported Fujimori against Democratic Front presidential candidate Mario Vargas Llosa but they have now become harsh critics of the new administration.

In a public statement, the IU announced that it will create struggle committees against hunger. It also proposed that the special bonus, similar to the July salary, and the free distribution of food in schools and in poor districts that has been ordered by the government be tripled.

IU President Henry Pease said that the committees will be created to guarantee the survival of the poor and to cope with the drastic economic measures ordered "against the people." He added that the plan is "an incitement to the people and an attack against the poorest sectors."

The APRA accused Fujimori of not fulfilling his electoral promise to not implement a "shock" treatment. The APRA, which has been harshly criticized for leading the economy into a chaotic situation, has asked the government to maintain real salaries, to guarantee the income of the poorest sectors, and to defend labor stability.

Fujimori Rejects Coup Possibility

PY1308144890 Buenos Aires TELAM in Spanish 1300 GMT 13 Aug 90

[Text] Rome, 13 Aug (TELAM-ANSA) — Peruvian President Alberto Fujimori has rejected the possibility of a coup d'etat as a result of the serious crisis that has been prompted by the economic plan that his government has implemented.

In an interview published in today's issue of the Rome daily IL MESSAGERO, the Peruvian president stresses that "my government has the full support of the Armed and Police Forces, and full popular consent."

Two weeks after assuming the presidency, Fujimori says that he is "optimistic" about the country's future, and he highlights "the struggle against drug trafficking, corruption, and terrorism" as the "basic points of his government's program.

Looting Continues; More Killed

PY1308195490 Lima Television Peruana in Spanish 1100 GMT 13 Aug 90

[Text] Out of despair over the recent economic measures, groups of agitators attacked stores, market places, and whole plantations in various parts of the interior of the country. As a result two people were killed and several wounded in Morropon and Trujillo.

Shining Path Terrorists Murder APRA Militants

PY1308182890 Madrid EFE in Spanish 1801 GMT 13 Aug 90

[Text] Lima, 13 Aug (EFE)—According to police sources, alleged members of the Shining Path terrorist group today occupied Huasta District, Bolognesi Province, and murdered the mayor and two municipal employees after sacking and burning local shops.

Witnesses have said that the alleged terrorists arrived in Huasta, 450 km northeast of Lima, at dawn throwing dynamite sticks and firing submachine gun bursts.

Then, in the main plaza they murdered Saul Valdez, the mayor of the district; Elias Jara, president of the community; and Marcelo Garro, a municipal employee. All were members of the American Popular Revolutionary Alliance (APRA), which was in power until July 1990.

The alleged terrorists wrote slogans in favor of the Shining Path and condemning President Alberto Fujimori's economic policy on the walls of buildings.

Shining Path started its armed struggle 10 years ago and since then it has been the cause of approximately 21,000 deaths and losses amounting to $18 billion.

Bolognesi is the main province of Ancash Department, a Peruvian tourist attraction for its mountains and ice skating.

Uruguay

Lacalle Criticizes ALADI Delay on Bush Plan

PY1308193290 Montevideo Radio El Espectador Network in Spanish 1600 GMT 13 Aug 90

[Excerpts] Uruguayan President Luis Alberto Lacalle today urged the ALADI [Latin American Integration Association] to seek contact with other international organizations to promote the development of the Latin American continent.

In his speech at the ceremony to celebrate the ALADI's 10th anniversary in Montevideo, President Lacalle did not conceal his disagreement with the way ALADI has handled the Americas Initiative that was announced by U.S. President George Bush. [passage omitted]

[Begin Lacalle recording] (?One cannot say its impossible) because in the world of today, fortunately, new concrete opportunities appear constantly. Lastly, and because it is a very significant current issue, I want to refer to President Bush's initiative for the Americas. The speed with which important international events develop, the media, and consequently the awakening of the peoples' interests demand, in our opinion, prompt and determined reactions. Although ALADI has positively answered President Bush's initiative, we cannot deny that we would have preferred a more determined, affirmative answer that would have taken full advantage of this swift opportunity in which the first power in the world chose our organization its interlocutor. Quoting our distinguished fellow countryman Julio Iglesias [IDB chairman], Bush's initiative represents a different opportunity. Opportunities can be taken or left. The parties do not have reciprocal duties. This does not mean that Latin America and its organizations lack other opportunities. However, it should be pointed out that promptness, speed, and efficiency in collective decisions today are essential if we are to survive in the prosaic world in which we live. We must continue to accept and to show our interest in the Initiative for the Americas. We believe it is a unique opportunity, but we must not hesitate to take advantage of any other opportunities that have been or are offered, or that we may create as a sign of maturity and efficiency at an international level. [end recording] [passage omitted]

1990 Cost of Living Rise Totals 60.6 Percent

PY0908205690 Madrid EFE in Spanish 0106 GMT 6 Aug 90

[Summary] Montevideo, 5 Aug (EFE)—The government's Statistic and Census Office today reported that the cost of living in Uruguay has risen by 60.6 percent so far this year.

It also has been reported that the inflation rate totals 107.17 percent for the past 12 months.

FRG Donates $19 Million to Social Fund

PY0908223090 Montevideo LA HORA POPULAR in Spanish 28 Jul 90 p 2

[Summary] The FRG Government has donated a sum equivalent to $19 million to the Social Investment Fund (FIS). FIS representatives Jorge Parodi and Ines Lacalle said that $10 million will be used for emergency housing and $5 million for the creation of small and medium-size companies. The remaining money will be used to for current housing plans.

Venezuela

Party Leader Denies Danger of Coup D'Etat

PA1408020290 Caracas Venezolana de Television Canal 8 in Spanish 0028 GMT 14 Aug 90

[Text] Responding to a report in THE NEW YORK TIMES this weekend, Humberto Celli, secretary general of the Democratic Action [AD] party, said there is no danger of a coup d'etat in Venezuela because the people have confidence in the democracy they support.

The U.S. newspaper's report surprised the people of Caracas and led politicians to voice their opinions. The danger of a coup d'etat cannot be but groundless speculation because every five years the people have decision-making power at the ballot boxes. As for discontent over the economic measures, the means for criticizing them exist without leading to the destabilization of the democratic system.

[Begin Celli recording] The important thing is that the democratic system provides methods to change the decisions that affect the people. That is why even though there might be an explosive social situation, we do not believe that it has anything to do with the stability of the democratic system. [end recording]

Suriname

Marchers Urge More Powerful Civilian Government

FL1008122890 Bonaire Trans World Radio in English 1130 GMT 10 Aug 90

[Text] Thousands of demonstrators marched in the streets of Suriname's capital Paramaribo yesterday in protest against the recent killing of a police inspector and the country's deteriorating economic situation. Civic and political groups organized the march of nearly 6,000 protesters. Among their demands was a call to rewrite the Constitution to give the civilian government more power over the military.

Bouterse Views Friction Between Police, Army

FL1308205790 Paramaribo International Service in English 1730 GMT 13 Aug 90

[Text] The leadership of the Surinamese Police Force is responsible for the [words indistinct] friction between the police and the National Army and must, therefore, need to be replaced. This was stated by Army Commander Desi Bouterse who this morning had a meeting with [words indistinct] on the current situation in Suriname.

During his speech the commander said the leadership of the police force is informed of the activities by a small group of policemen without taking measures. Commander Bouterse referred to the group as a group of corrupt policemen which takes advantage of the chaos in the country.

Bouterse said the solution is to be found [words indistinct] to the problems which exists because of the unclear relations between the Army and the police and a continuing police fight. The commander proposed to appoint an Army officer as (?head) of the Surinamese Police Force. Bouterse said that the measures should be taken by the Surinamese Government.

14 Soldiers Killed as 'Mopping-Up' Continues

FL1308204190 Paramaribo International Service in English 1730 GMT 13 Aug 90

[Text] Three soldiers were killed last Friday after being ambushed by the Jungle Commando. The soldiers, who were in a vehicle, were shot at with heavy arms by members of the Jungle Commando. Five other soldiers are heavily wounded while the Army vehicle has been destroyed. Some soldiers declared that mercenaries were seen in the ranks of the Jungle Commando. The number of deaths on the side of the Army is now 14 since the Army some weeks ago started mopping-up operations in south and east Suriname.